Santa Rosa City Schools

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SPECIAL BOARD MEETING
01/18/2023 05:30 PM
Hybrid: Zoom / Santa Rosa High School Multi
Purpose Room (1235 Mendocino Ave. Santa
Rosa, Ca. 95401)
5:30 p.m. Open Session

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MEETING MINUTES

As authorized by the County of Sonoma Public Health Recommendation for Safely Holding Public Meetings, dated September 22, 2021, and Government Code section 54953(e)(1)(A), the Santa Rosa City Schools Special Board Meeting of January 18, 2023 starting at 5:30 pm, is in a hybrid format. The public can attend and comment in person by presenting a blue card to the Executive Assistant at the Santa Rosa High School Multi Purpose Room (1235 Mendocino Ave. Santa Rosa, Ca. 95401) or attend and comment in a virtual format via Zoom by using the virtual hand raising feature. For more information on virtual attendance (including how to watch, give public comment and listen in Spanish) please click HERE.

Según lo autorizado por la Recomendación de la Oficina de Salud Pública del Condado de Sonoma para la Celebración Segura de Reuniones Públicas, con fecha del 22 de septiembre de 2021, y la sección 54953(e)(1)(A) del Código del Gobierno, la reunión especial de la mesa directiva de del distrito escolar Santa Rosa City Schools del 18 de enero de 2023 a partir de las 5:30 pm, se llevará a cabo en formato híbrido. El público puede asistir y comentar en persona en la sala de Santa Rosa High School (1235 Mendocino Ave, Santa Rosa, CA 95401) o asistir y comentar en un formato virtual a través de Zoom ,usando la función para levantar la mano virtual. Para obtener más información sobre la asistencia virtual (incluido cómo mirar, dar comentarios públicos y escuchar en español), haga clic AQUÍ.

Individual speakers shall be allowed up to three minutes to address the Board on each agenda item. The Board may limit the total time for public input on each item to 20 minutes. With Board consent, the presiding officer may increase or decrease the time allowed for public presentation, depending on the topic and the number of persons wishing to be heard. The presiding officer may take a poll of speakers for or against a particular issue and may ask that additional persons speak only if they have something new to add (BP 9323).

Se les permitirán a los oradores hablar de manera individual por tres minutos ante la mesa directiva sobre cada tema incluido en la agenda. La mesa directiva puede limitar el tiempo total para la participación del público a 20 minutos por cada tema. Con el consentimiento de la mesa directiva, la presidenta puede incrementar o disminuir el tiempo asignado para los comentarios del público, dependiendo del tema y la cantidad de personas que deseen ser escuchadas. La presidenta puede llevar a cabo una encuesta para determinar cuántos oradores están a favor o en contra de un tema en particular, y puede pedir que otras personas hablen solo si tienen algo nuevo que agregar (BP 9323).

For questions or comments, please contact the Superintendent's Office at (707) 890-3800 ext. 80201 or mmartin@srcs.k12.ca.us.

To view future board meeting dates, click HERE.

To view agendas and minutes from July 2016 - August 12, 2020, click HERE.
To view agendas and minutes prior to July 27, 2016, please contact the Superintendent's Office at (707) 890-3800 ext. 80201, mmartin@srcs.k12.ca.us.
To view recordings of past board meetings, click HERE.

MISSION: SRCS ensures equitable access to a transformative educational experience grounded in the assets of our students, staff, and community. We nurture the whole student in an engaging, challenging, and safe environment. We recognize and value each student's individuality and our community's cultural wealth.

VISION: SRCS will send students into the world empowered to find purpose, think critically, embrace diversity, work together, and adapt to our changing planet, and live healthy and fulfilling lives.

Attendees

Voting Members
Ever Flores, Board of Education Director
Laurie Fong, Clerk of the Board
Stephanie Manieri, Board of Education President
Roxanne McNally, Board of Education Director
Omar Medina, Board of Education Vice President
Ed Sheffield, Board of Education Director

A. CALL TO ORDER (5:30 p.m.)

1. Pledge of Allegiance

President Manieri led the Pledge of Allegiance.

2. Public Comment On Agenda Items Only

There was no public comment.

B. DISCUSSION / ACTION ITEMS

1. (Action) Santa Rosa City Schools Feasibility Study Report

Superintendent Anna Trunnell, and Deputy Superintendent of Sonoma County Office of Education, Greg Medici, along with consultants Christy White and Kevin Gordon, presented the Santa Rosa City Schools Feasibility Study Report.

The duration of the Board's questions lasted 48 minutes.
The duration of the Board's comments lasted 34 minutes.

Motion Passed: Scenario 1 - Full Unification
Director Bui preferential vote: Aye.

<u>Motion made by:</u> Omar Medina
<u>Motion seconded by:</u> Ed Sheffield
<u>Voting:</u>
Ever Flores - Yes
Laurie Fong - Yes
Stephanie Manieri - Yes
Roxanne McNally - Yes
Omar Medina - Yes
Ed Sheffield - Yes

C.   ADJOURNMENT

Who We Are

- **Greg Medici, JD,** Deputy Superintendent for Business Support Services, Sonoma County Office of Education

- **Christy White, CPA, CFE,** President of Christy White, Inc., the consultant whose firm prepared the reorganization financial feasibility report, shared with the board on October 3, 2022.

- **Kevin Gordon,** President and Founder Capitol Advisors, LLC.

- **Sarah Lampenfeld,** Director of External Fiscal Services, Sonoma County Office of Education

Why we are here

In our last meeting, we discussed:

- **Declining Enrollment Challenges School Budgets**
  Districts statewide face declining enrollment due to a range of factors, including an aging population, which stresses school finances. Enrollment in Sonoma County is expected to decline by 16.94% over the decade that began with the 2021-22 school year.

- **1 City, 10 School Districts**
  While Santa Rosa City Schools currently serves all high school students from the greater Santa Rosa area, it has nine feeder elementary school districts, eight of which have their own boards and superintendents.

- **Partial Unification in Santa Rosa**
  The Santa Rosa City Schools high school and elementary districts already have realized some cost savings by sharing a single governing board, superintendent, and district office staff, though they remain legally separate.

Why we are here

Santa Rosa City Schools' Request for a Study

- **The County Superintendent's Role**
  The county superintendent of schools and the Sonoma County Office of Education (SCOE) provide statutory oversight of districts' budgets to make sure they can meet their financial obligations.

- **Santa Rosa's Recovery Plan**
  Over the past five years, the SRCS board has had to submit and implement a plan with the county superintendent. Multiple boards have had to make major budget reductions totaling over $20M in the last several years. The board continues to look at all options .

- **The Central Question**
  SRCS asked the following question: **Would unification enhance the instructional opportunity for all students at a similar or reduced cost to the affected districts and/or taxpayers?**

Scope of Study

Three Scenarios Studied for Financial Feasibility

1. **Full unification of Santa Rosa High School District** with all nine feeder elementary districts.
2. **Create two school districts**: a Santa Rosa Unified, and, either a common administration Rincon Valley Area Elementary and High School District, or, a Rincon Valley Unified (with three independent feeder elementary districts)
3. **Create two large elementary school districts** under common administration with Santa Rosa High School District
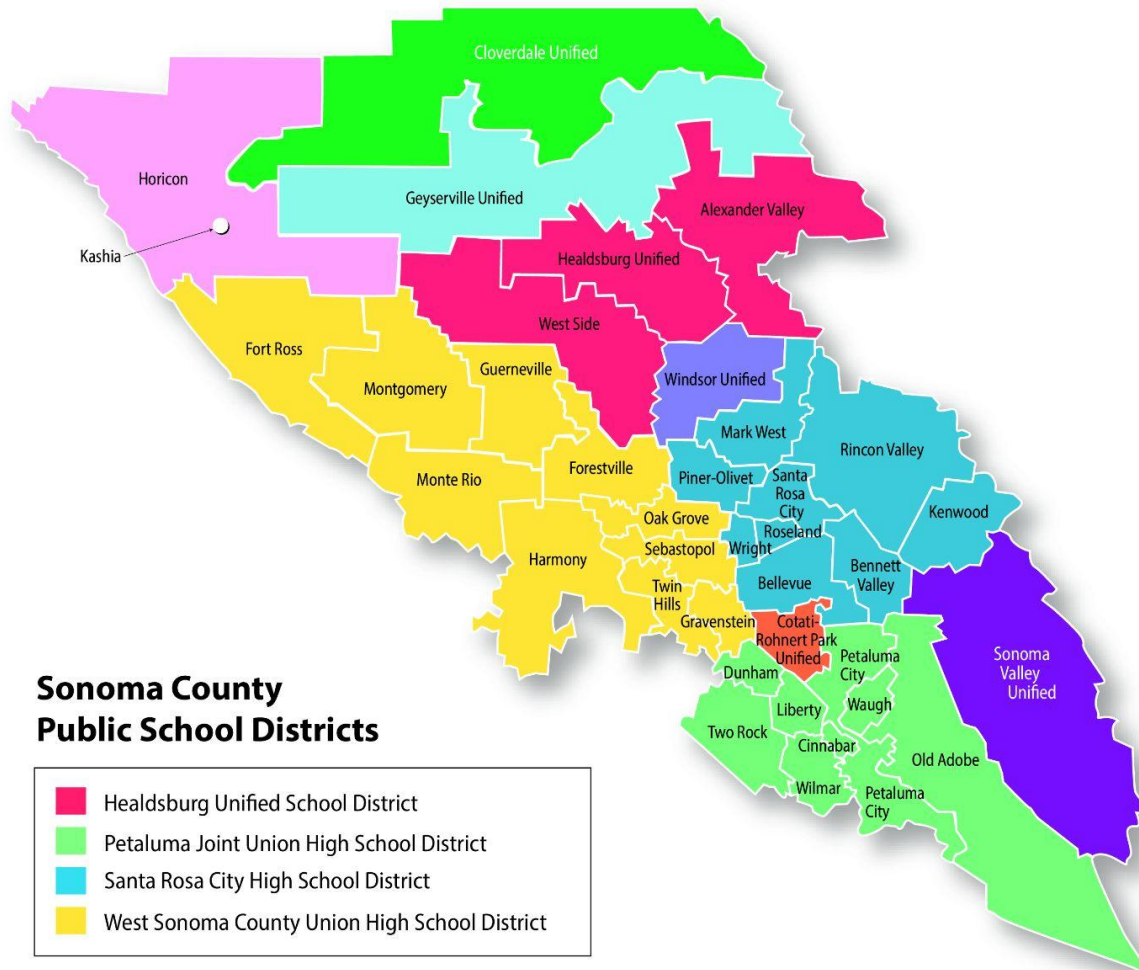
The study focuses on one of the nine state criteria for school district reorganization, **the financial component**

a. Will the reorganization continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the existing or proposed district(s)?

b. In addition, changes in race/ethnicity and school housing were considered in the development of the scenarios

Where we are now

Right now, Sonoma County has 40 school districts, a blend of unified districts, like you see in the Sonoma Valley, Cotati-Rohnert Park, and Windsor, among others, as well as separate high school districts with feeder elementary districts, like what you see in west county, Petaluma, and Santa Rosa.

Current District Structure

Sonoma County Public School Districts

- Healdsburg Unified School District
- Petaluma Joint Union High School District
- Santa Rosa City High School District
- West Sonoma County Union High School District

Updated June 2022

Map by Dennis Bolt

Sonoma County Office of Education

Glossary of Key Terms

Before we continue, it is important to know that school finances are extremely complex. Here is a glossary of key terms you will hear during this presentation.

- **State-Aid District:** A school district that is funded under the state's Local Control Funding Formula (LCFF), which guarantees a base rate of funding regardless of any property taxes that are collected. Note: Nine of the districts (all except Kenwood) are state-aid funded, but several receive basic aid supplement funds due to local charter operations.

- **Community-Funded District, aka Basic-Aid District:** These districts collect property taxes in excess of the state's minimum funding level, which means they are funded entirely by local property tax dollars and they are allowed to keep and spend local funds in excess of the LCFF rate. Such districts have higher per-pupil allocations than state-aid districts with the same demographics.

- **Thompson-Style Unification:** Named for former state Sen. Mike Thompson, now a congressman, a provision in state law allows for some districts to opt out of a district unification while still feeding students into the unified district for secondary grade-level programs. (This type of unification is what we have in Healdsburg, where the independent Alexander Valley and West Side districts send their students to Healdsburg High.)

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Office of Education

Glossary of Key Terms

Here are some additional terms you may hear during this presentation.

- **Unification:** This term refers to when districts combine to serve grades TK-12, for example if Santa Rosa City were to unify its elementary and high school districts to provide TK-12 services in one district.

- **Unionization:** This refers to the combination of districts serving the same populations, such as when districts that serve elementary-aged students combine.

- **Unduplicated Pupil Count (UPC):** The annual count of pupils who are either low-income or speak limited English. Districts can receive supplemental funding from the state for these students if they have a high percentage of them.

- **A Note about District Names:** Names used for what-if scenario district combinations are illustrative only and are chosen based on the largest district in each area being unified or unionized. A new district name in a reorganization would be chosen by the new governing board.

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Scenario 1: Full Unification

- The most financially challenging scenario due to the merging of districts with such varied funding situations.

- A fully unified district would be a state-aid district and suffer the immediate loss of $21.3 million per year in basic aid and supplemental funding, requiring deep cuts that might take years to be offset by cost savings.

- Total net savings could reach $24 million per year but may take years to achieve.

Scenario 1

Santa Rosa City Unified School District that includes all ten school districts around SRCHSD's existing boundaries.
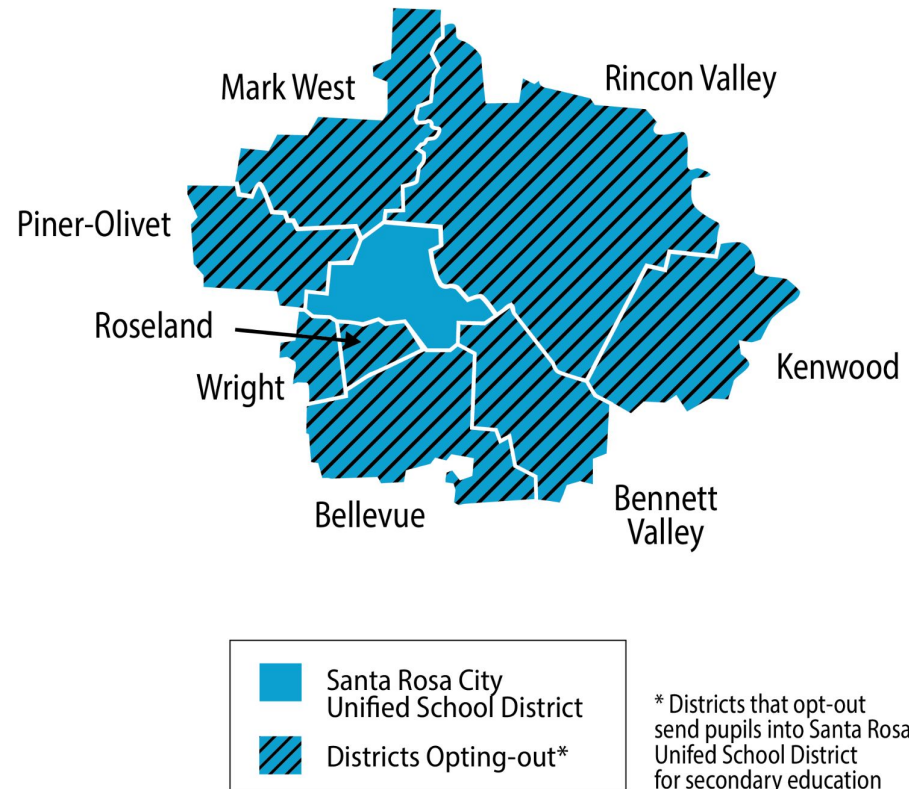
Map by Dennis Bolt

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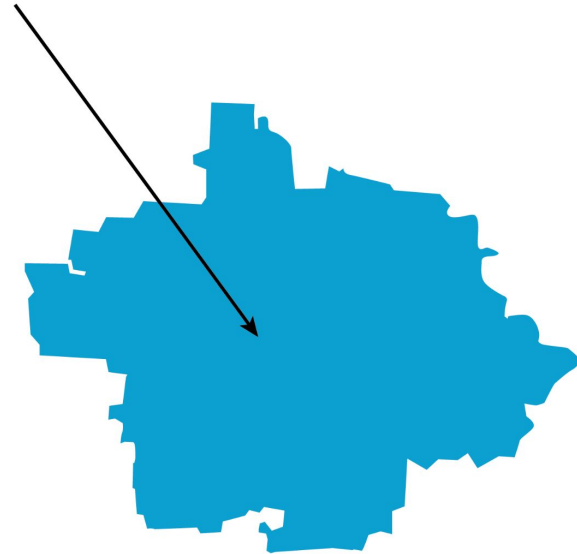
Scenario 1 Alternative: Unify SRCS

- If Santa Rosa City high school and elementary districts were to unify, it would result in an annual funding loss of about $2.7 million.

- It is unclear whether this would be offset by savings, as the two districts already are served by a single board, superintendent, and administrative staff, meaning most potential savings likely already have been realized.

Scenario 1 Alternative

Mark West

Rincon Valley

Piner-Olivet

Roseland

Wright

Kenwood

Bellevue

Bennett Valley

Legend:
- Santa Rosa City Unified School District
- Districts Opting-out*

* Districts that opt-out send pupils into Santa Rosa City Unifed School District for secondary education

Map by Dennis Bolt

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Scenario 2: Split SRCHSD Into Two School District Areas

- Creates TWO school district areas, each with its own board, superintendent, and administration.

- **Santa Rosa City Unified** would include Santa Rosa City, Bellevue, Roseland, Bennett Valley, and Wright elementary districts

- Secondary sites would include Montgomery, Santa Rosa, and Elsie Allen high schools, plus middle schools.

Scenario 2

Rincon Valley High School District (37% of SRCHSD's pupils) and **Rincon Valley Union Elementary School District** both under one common administration.

Santa Rosa City Unified with SRCESD, Bellevue, Roseland, Bennett Valley, Wright, and 63% of SRCHSD's pupils.

Map by Dennis Bolt

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Scenario 2, Continued

- **Rincon Valley High School District** would include Piner and Maria Carrillo high schools.

- **Rincon Valley Union Elementary District** would include Rincon Valley, Piner-Olivet, Mark West, and Kenwood districts.

- High school and elementary districts share a common administration, similar to current SRCS.

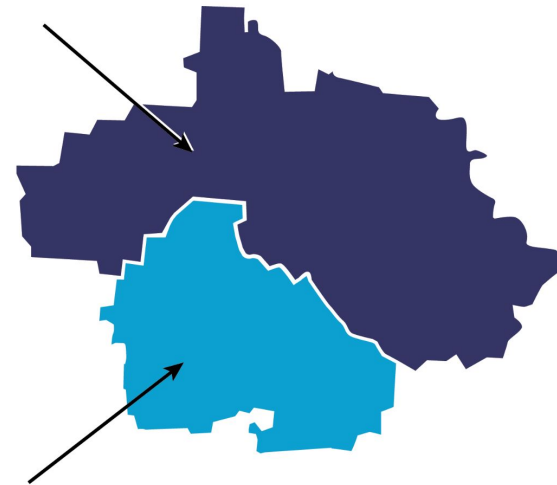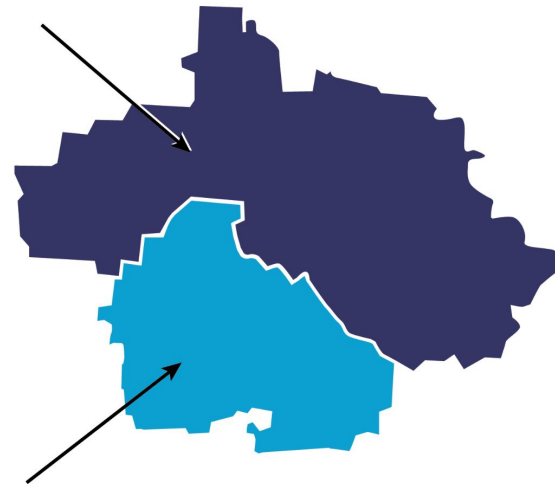- It is not financially advantageous for the two Rincon Valley districts to unify.

Scenario 2

Rincon Valley High School District
(37% of SRCHSD's pupils) and
Rincon Valley Union Elementary School District
both under one common administration.

Santa Rosa City Unified with SRCESD, Bellevue, Roseland, Bennett Valley, Wright, and 63% of SRCHSD's pupils.

Map by Dennis Bolt

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Scenario 2 Cost Savings

- The central **Santa Rosa City Unified** could see a total financial gain of $17 million a year, made up of additional state funding of $9.4 million related to unduplicated pupil count and potential cost savings of $7.6 million.

- The **Rincon Valley** districts would lose about $1.7 million in basic aid funding in the Kenwood district, but that would be more than offset by cost savings that could reach up to $14 million per year.

Scenario 2

Rincon Valley High School District (37% of SRCHSD's pupils) and **Rincon Valley Union Elementary School District** both under one common administration.

Santa Rosa City Unified with SRCESD, Bellevue, Roseland, Bennett Valley, Wright, and 63% of SRCHSD's pupils.
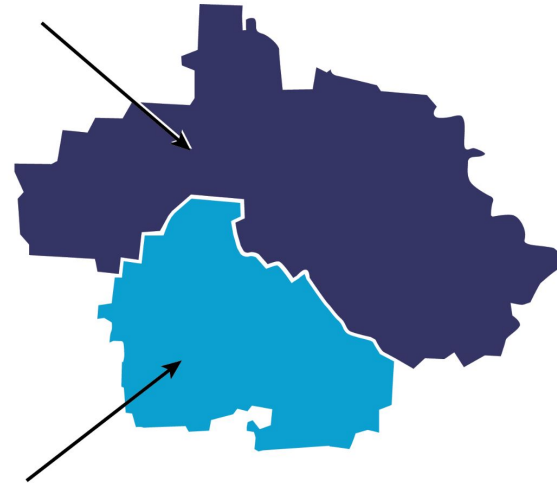
Map by Dennis Bolt

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Scenario 2 Alternative: Rincon Valley Unified

- In this alternative scenario, **Rincon Valley USD** unifies the four-district area, while Mark West, Piner-Olivet, and Kenwood opt out for elementary purposes.

- The Rincon Valley Unified district stands to gain about $10 million annually.

- Funding levels would stay the same at the three districts opting out, but cost savings related to potential consolidation of administrative functions would be lost.

Scenario 2 Alternative
(Thompson-style Unification)
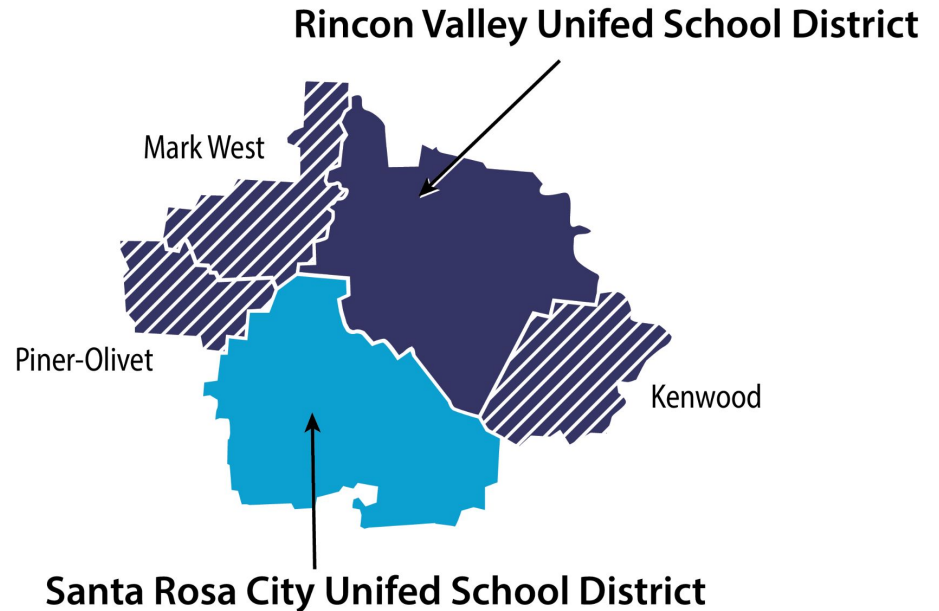
Rincon Valley Unified School District

Mark West

Piner-Olivet

Kenwood

Santa Rosa City Unified School District

Rincon Valley Unified School District

Opting-out of Rincon Valley Unified School District *

Santa Rosa City Unified School District

* Districts that opt-out send pupils to Rincon Valley Unified School District for secondary education

Map by Dennis Bolt

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Scenario 3: Three Districts, One Common Administration

- Under this proposal, **Santa Rosa City High School District** remains the same.

- Santa Rosa City Elementary, Roseland, Wright, Bellevue, and Bennett Valley unionize.

- Rincon Valley, Piner-Olivet, Kenwood, and Mark West unionize.

- These three districts share a common administration but do not formally unify.

Scenario 3

Rincon Valley Union Elementary School District

Santa Rosa City Union Elementary School District

Santa Rosa City High School District

Map by Dennis Bolt

Sonoma County
Office of Education
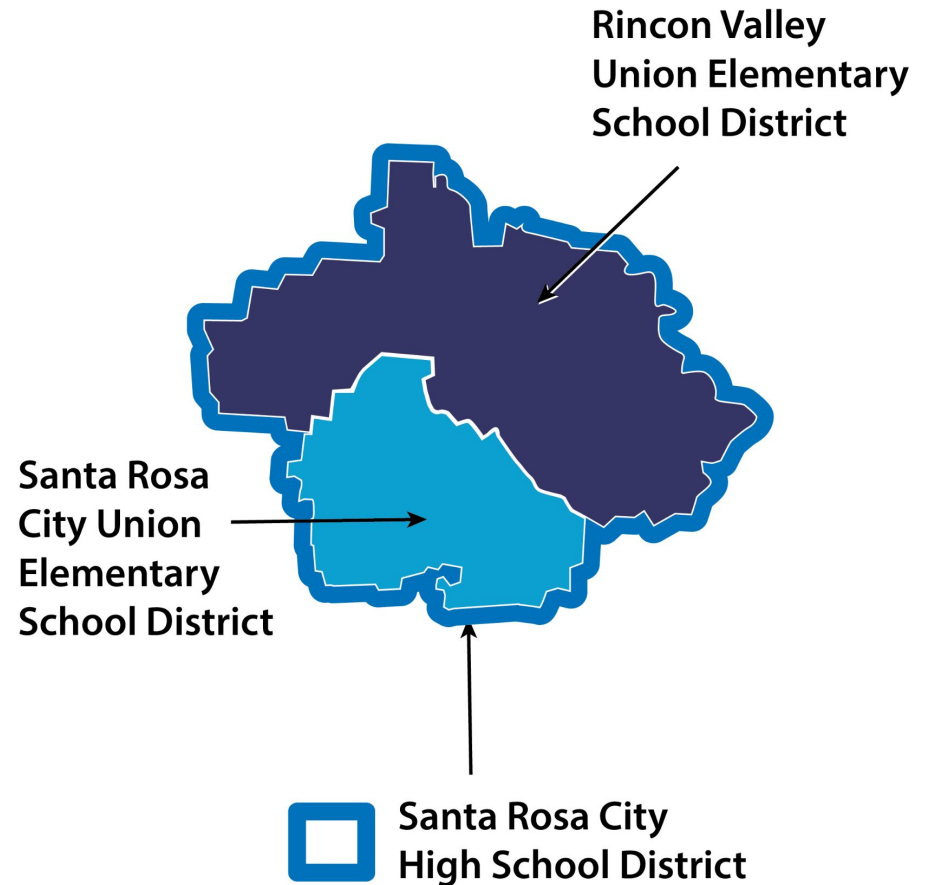
Scenario 3 Financial Impacts

- The unionized **Santa Rosa City** district could potentially realize up to $7.1 million annually in positive financial gains.

- A fully unionized **Rincon Valley Elementary** district would realize a net financial gain of up to $7.6 million per year.

Scenario 3

Rincon Valley Union Elementary School District

Santa Rosa City Union Elementary School District

Santa Rosa City High School District

Map by Dennis Bolt

Sonoma County
Office of Education
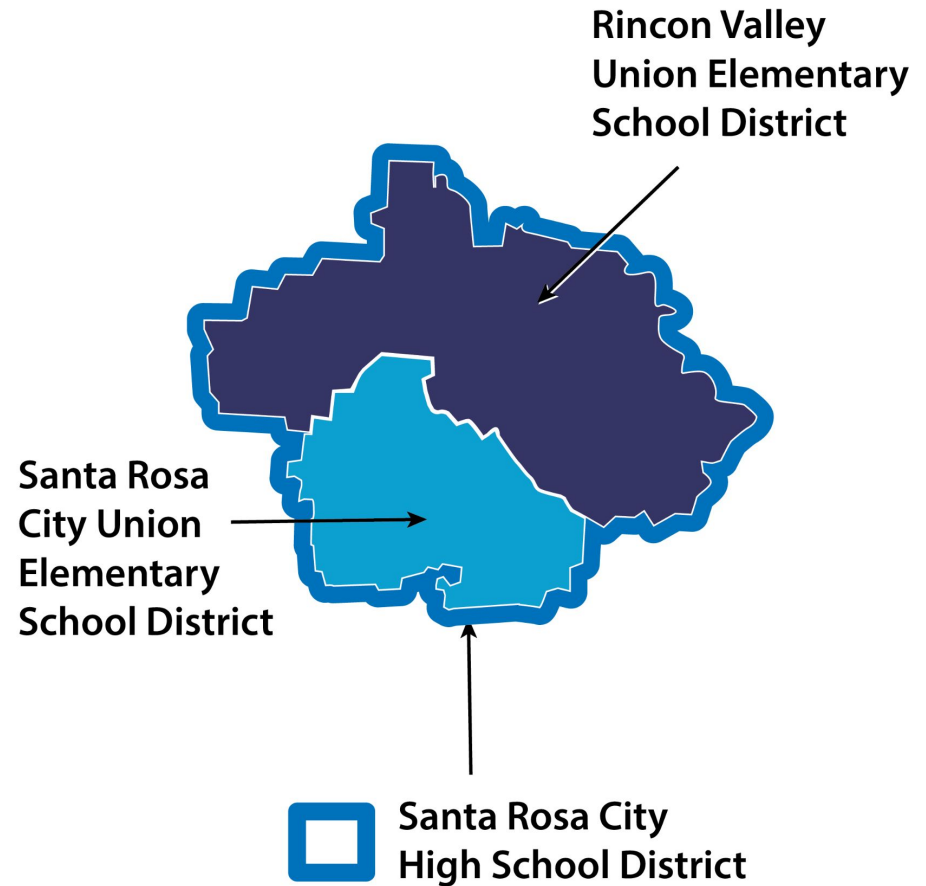
Which Scenario is Most Advantageous?

- Financially, **Scenario 2** offers the most significant near-term cost savings.
  - Should a Santa Rosa City Unified District be created with Santa Rosa, Elsie Allen, and Montgomery high schools, plus the middle schools and Santa Rosa City Elementary, Roseland, Bellevue, Wright, and Bennett Valley elementary districts, an estimated $17 million could be saved each year.
  - A Rincon Valley High School District with Piner and Maria Carrillo high schools, plus a unionized elementary district of Rincon Valley, Mark West, Piner-Olivet, and Kenwood, could see a net gain of up to $12.1 million if no districts opt out.

- **Scenario 3,** which creates two unionized elementary districts and keeps Santa Rosa City High School District the same, would also result in substantial revenue gains of up to $14.7 million across the two unionized elementary districts.

- **Scenario 1, in which all districts unify,** offers significant potential cost savings long-term, at up to $44.8 million a year, but it could be financially painful as that level of savings may take years to achieve and the newly unified district would have to grapple with an immediate revenue hit of $21.3 million. This would force drastic, sudden, and potentially painful cuts, which may include school closures.

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Study Methodology

About the Data

Data Sources: primarily state and local district-submitted reports.
Used the most current closed fiscal year (2020-21 in most cases), along with historical data to analyze trends

Comparative Districts: CW identified districts of similar size and demographics for expenditure analysis for each scenario

Charter Schools: district-controlled charter schools were included in the expenditure analysis, independent charters excluded

Major Expenditure Analyses

Estimating Cost Savings Potential

Estimating cost savings was done by examining comparative districts to each scenario on:

- General administration
- Current expense of education
- Cost by major function (activity)
- Comparing salary schedules and FTEs

Cost savings does not always mean making cuts

- Finding cost savings provides the governing boards with more flexibility to fund educational and operational priorities
- Eliminating duplicative services frees up dollars for use elsewhere in the district
- But, any revenue loss would need to first be backfilled with cost savings to break even

Range of Cost-Saving Analyses

- **Administration Costs:** total of all districts today spend $9.2M more on administration costs compared to a similar sized unified district

- **Cost of Education:** all scenarios result in significant cost savings potential when compared to similar sized districts

- **Comparing to Cost by Function:** All scenarios are estimated to free up between $15M - $29M in costs

- **FTE Comparison:** 516 FTEs (all district combined) more than similar sized unified district
  - 343 certificated FTEs, 46 administrator FTEs, 86 pupil services FTEs, 41 classified FTES

Considerations for Action

The Board may consider the following for action (at a later date)

- Select <u>one</u> option/scenario to close out the report.

- Once an option/scenario is selected, SCOE will complete a report that outlines the following:
  - Educational components (ex. Title I, Title III, Special Ed, etc...)
  - Governance/transition between old/new district
  - Employment within the new district

What's Next

A reorganization to unify or unionize Santa Rosa City High School District and/or any elementary districts may be initiated by:

- Petition signed by a majority of members of the governing boards of all affected districts
- A government entity (city council, board of supervisors, special district, or Local Area Formation Commission) petitions to unify.
- A petition signed by at least 25% of registered voters in the inhabited territory proposed to be reorganized/unified; if the reorganization or unification involves two or more school districts, signatures from at least 25% of the registered voters from that territory in each school district are required.
- County Committee plans and recommendations.

What's Next

Upon receipt of a valid petition, as determined by the County Superintendent or County Elections Department depending on the petition method, the **County Committee on School District Organization** is required to:

- Hold public hearings within affected districts.
- Determine the impact of the proposed reorganization using specific Education Code criteria.
- Within 120 days of the first public hearing, make a recommendation to approve or disapprove the petition.

Subject to certain exceptions, the committee's recommendation is then transmitted to the state Board of Education for additional hearings, analysis, and approval or disapproval.

If approval is given, the County Superintendent will call an election in an area determined by the State Board of Education.

Thank You!
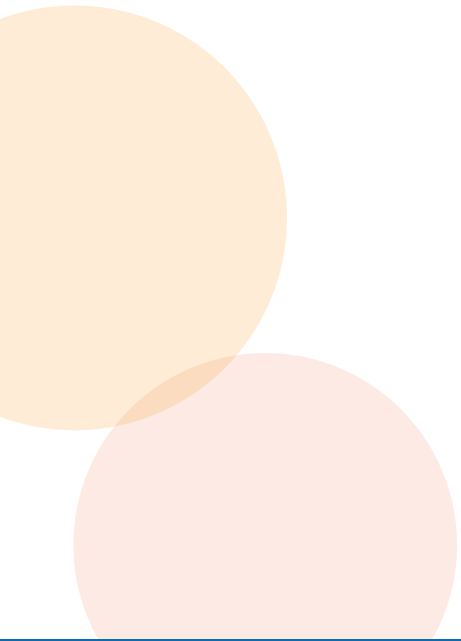
SONOMA COUNTY OFFICE OF EDUCATION

FINANCIAL FEASIBILITY STUDY

REORGANIZATION OF SANTA ROSA CITY HIGH SCHOOL DISTRICT AND THE NINE FEEDER ELEMENTARY SCHOOL DISTRICTS

OCTOBER 2022

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APPENDIX: MAPS OF EACH SCENARIO

October 3, 2022

Dr. Steven D. Herrington, Sonoma County Superintendent of Schools
Sonoma County, California

Dear Dr. Herrington:

Christy White, Inc. (CW) was engaged to conduct financial feasibility of a hypothetical unification of the Santa Rosa City High School District (SRCHSD) with all or some of the nine elementary feeder school districts. The Sonoma County Office of Education (SCOE) stated the study's purpose was to help answer this question:

> ***Would unification enhance the instructional opportunity for all students at a similar or reduced cost to the affected districts and/or taxpayers?***

This study largely focuses on the second part of the above statement, whether costs could be the same or reduced after unification and provides information relevant to determine whether unification will preserve the ability to educate students in an integrated environment.

Consolidation of schools through unification, unionization (merging elementary or high school levels), or common administration that SRCS uses today, can eliminate duplicative services, provide economies of scale and streamline administration. The cost savings that result provide the governing board with resources for educational priorities. Instructional, pupil support services and operations could be enhanced if there are net positive fiscal gains from reorganization.

For any reorganization petition to be approved by the County Committee on School District Organization and then submitted to the voters, the law requires that the reorganization continue to promote sound fiscal management and not cause a substantial adverse effect on the proposed District's fiscal status, or any existing district affected by the proposed reorganization. The law further requires that any reorganization preserve each affected district's ability to educate students in an integrated environment and not promote racial or ethnic discrimination.

The Santa Rosa area districts included in this study are:

- ✓ Bellevue Elementary School District
- ✓ Bennett Valley Elementary School District
- ✓ Kenwood Elementary School District
- ✓ Mark West Elementary School District
- ✓ Piner-Olivet Elementary School District
- ✓ Rincon Valley Elementary School District
- ✓ Roseland Elementary School District
- ✓ Santa Rosa City Elementary Schools
- ✓ Santa Rosa High School District
- ✓ Wright Elementary School District

Santa Rosa City Elementary and High School Districts are legally separate but consolidated for administrative functions with one governing board, one Superintendent, common administration, shared union contracts, and central facilities. The remaining eight feeder elementary school districts are separate entities and are served for secondary education purposes by Santa Rosa City High School District (SRCHSD).

Executive Summary

The study examines three primary "what if" unification or unionization scenarios. Each estimates the potential changes in revenues and expenses between the sum of the original school districts and each "what if" reorganization. The scenarios were chosen to illustrate the economic effects full and partial unifications and mergers of elementary districts without unification. There are many combinations, but these three scenarios below show the issues and opportunities that each type of reorganization provides. And, in all scenarios that include three or more districts, individual districts could opt out of participation.

Scenario 1: Unification of Santa Rosa City High School District (SRCHSD).

- A *Santa Rosa City Unified School District* **that** includes all ten school districts around SRCHSD's existing boundaries.

   - An **alternative** would be to unify the current common administration districts of Santa Rosa City Elementary (SRCESD) and High School District (SRCHSD). The remaining eight elementary districts would remain independent, like today, using the Thompson provisions of law that permit opting out of a unification action.

Scenario 2: Split SRCHSD Into Two School District Areas.

- A *Santa Rosa City Unified* with SRCESD, Bellevue, Roseland, Bennett Valley, Wright, and 63% of the high school district.

- A *Rincon Valley High School District* and *Rincon Valley Union Elementary School District* under one common administration.

   - **An alternative would be to create a *Rincon Valley Unified School District*** that includes Rincon Valley and approximately 37% of SRCHSD's students. The existing elementary districts of Mark West, Kenwood, and Piner-Olivet would remain independent to limit the loss of basic aid community funding. A common administration for the four districts, like the current Santa Rosa City elementary and high school arrangement, is suggested to save the most costs instead of a full unification.

Scenario 3: Consolidation of Elementary School Districts Under Common Administration with SRCHSD.

- *Santa Rosa City Union Elementary School District* would merge Bellevue, Roseland, Bennett Valley, and Wright with Santa Rosa City Elementary Schools under a consolidated administration with SRCHSD.

- A *Rincon Valley Union Elementary School District* would merge Rincon Valley, Piner-Olivet, Kenwood, and Mark West and send secondary pupils to SRCHSD under one common administration.

Note on Names Used for Possible New Districts: *The names used for the possible district combinations in this report are illustrative only. For simplicity, the consultant used the name of the largest district in each area. Should a petition to reorganize be put forth, the name of the new district(s) would be determined by the new governing school board(s).*

Executive Summary, Cont'd

Before we begin reviewing the results for each scenario, consider the following questions and answers often asked when evaluating a school district reorganization.

1. **Are There State Funding Incentives for School District Reorganization?** No. The State does not currently provide financial incentives to consolidate (unify or merge) school districts. So, the objective of any viable reorganization plan is to minimize revenue loss and maximize cost efficiencies -- this frees up dollars for local educational priorities.

   But this study did find a fiscal incentive unique to Scenario 2 and the central Santa Rosa area. There is an opportunity to increase funding by about $9.4M due to the operation of the supplemental and concentration grant funding formulas. Unduplicated Pupil Count (UPC) (defined in the footnote below) would be more concentrated in the central Santa Rosa area.

2. **What Does it Mean to Find Cost Efficiencies; Are These Cuts?** Finding cost efficiencies are not cuts, except to the extent that there are fewer revenues, and only in Scenario 1 are there significantly fewer revenues.

   All districts spend annually at about the level of revenues available. For those scenarios in this report where there is a reduction in state revenue, a smaller budget is needed to maintain the status quo. However, it is not hard to create a new and more cost-efficient district when there are so many areas of duplicative administration.

   - For example, administrative costs run nearly $9M more area-wide compared to similar single districts. Instead of nine boards, superintendents, and service departments, one position or department is needed in a single district. That department might need to be larger to handle the work volume, but overall costs would be much less. And with these savings, the governing board can direct funding to other priorities.

3. **What is the Advantage of a Net Positive Fiscal Gain?** Net positive fiscal gain results when cost savings exceed revenue changes due to reorganization. Scenario 2 has more revenues and cost savings (a win-win), but in all other scenarios, the positive fiscal gain is a result of cost savings. And these estimated net positive fiscal gains are significant, between $15M - $29M annually, depending on the scenario selected.

   With a net positive fiscal gain achieved through reorganization, each new school board has an opportunity to allocate more funding for education and operational needs. These needs could include, for example, increased salaries, lower staff-to-pupil ratios, or new programs and services. Fiscal opportunities are not available today when funding is tied up with duplicative essential services.

   Definitional Footnotes:

   State-aid district means a school district funded under the Local Control Funding Formula (LCFF) at the state guaranteed base rates, regardless of the local property taxes collected. The term **basic-aid district (also called community funded)** means a school district with local property taxes exceeding the state-guaranteed base rate for LCFF funding. A basic aid district is permitted under law to keep the excess taxes. As a result, a basic aid district receives more funding than a state-aid district with the same demographics.

   Unduplicated Pupil Count (UPC) is the annual count of pupils that are either low income and/or limited English speaking. School districts receive supplemental (additional) funding to serve these students. If there is a concentration of 55% or more in UPC, a district is eligible for concentration grant funds.

Executive Summary, Cont'd

A summary of the study results for each of the scenarios described is included here:

Scenario 1: Unification of Santa Rosa City High School District (SRCHSD).

Financially, if <u>all districts</u> in Santa Rosa **(Scenario 1)** were to unify, a major state funding loss would occur between the loss of concentration grant funds and basic aid funding. <u>An estimated $21.3M loss</u> (9.1% of total state aid and basic aid funding) would need to be made up by cost savings to break even. All concentration grant funding would be lost as the unduplicated pupil count reduces to 55%, and all basic aid and basic aid supplemental funding would be lost.

On the cost side, there appear to be **significant opportunities to reduce costs** and make up the revenue shortfall.

- Compared to unified districts of a similar size and demographic makeup, saving $45M might be realized, leaving the unified district with a surplus of $24M.

- However, there is much financial risk when the revenue loss is immediate, and the cost savings might take years to achieve through strong fiscal leadership and political will.

Demographically, an all-unified district's racial/ethnic profile would be 29% white and 57% Hispanic, with less than 5% in any other single race/ethnicity category. This is important since any scenario must not impede board policies to provide an integrated education.

In an **alternative Scenario,** if only Santa Rosa City Schools (SRCESD and SRCHSD) were unified, the <u>estimated funding loss would be 1.9% or $2.7M</u>. This is due to loss of concentration grant funding as the unduplicated pupil count (UPC) falls to an estimated 50% (below eligibility). And the districts already share board, superintendent, district administrators, and operational costs, so efficiencies have been largely achieved.

Would there be an additional $2.7M in duplicated services remaining to cut? The districts would need to consider that. The data analyzed indicates it is unlikely. SRC is operating at considerably less cost compared to unified districts of a similar size today. Still, there might be room for staffing adjustments as there are lower staff/pupil ratios in the certificated ranks compared to similar unified districts.

Executive Summary, Cont'd

Scenario 2: Split SRCHSD Into Two School District Areas.

The second scenario would create two school district areas (Santa Rosa and Rincon Valley), splitting the high school district into two. This Scenario would be financially advantageous and bear further exploration. Overall, there would be new revenue generated and cost savings opportunities found. Actions in both areas would best be implemented in a single petition since the key financial funding advantage rests in dividing SRCHSD into two districts. In Scenario 2:

1. A central *Santa Rosa City Unified* comprises SRCHSD (63% of ADA), SRCESD, Bellevue, Roseland, and Wright. Scenario 2 provides an estimated **additional LCFF Funding of $9.4M** in supplemental and concentration grant funding due to increased eligibility from the high school UPC. And when combined with potential cost savings of $7.6M, there is **a total positive financial gain of $17M**. The unified school district's secondary programs would be at the middle schools, the Cesar Chavez Language Academy, Santa Rosa High, Elsie Allen, and Montgomery campuses.

2. A *Rincon Valley High School District* and a *Rincon Valley Union Elementary School District* would be created. Two districts under a common administration. The revenue loss would be limited to Kenwood's basic aid funding ($1.7M). The cost savings opportunity of a common administration district is significant at $14M, **a net positive financial gain of $12M**. RVUSD would assume operations of Piner and Maria Carillo High Schools.

   When developing the Rincon Valley portion of scenario 2, the following was considered:

   o Creating two districts under one common administration is financially preferable to a full Rincon Valley-area unification. Full unification would significantly lose basic aid (community) dollars ($11.4M). This is due to previously non-resident charter school pupils becoming residents and losing basic aid supplemental funding, in addition to Kenwood's basic aid funding. The funding shortfall would be financially risky to backfill with cost savings.
   o An **alternative** is to create a *Rincon Valley Unified District (RVUSD)* with Mark West, Kenwood, and Piner-Olivet opting-out to limit the basic aid/supplement funding loss. Then, all four districts could operate under common administration, similar to the structure of the current Santa Rosa City School Districts.   A Rincon Valley Unified would lose basic aid supplement of about $4M but could save as much as $14M for **a net positive financial gain of $10M**.   To the extent Mark West, Piner-Olivet or Kenwood opt out of a common administration, significantly less cost efficiencies would be achieved.

Demographically, it is likely that the Scenario would meet the criterion of race and ethnicity. There are two primary racial/ethnic groups in all the districts: Hispanic and White. Each scenario area would have a significant Hispanic population, 68% in Santa Rosa and 39% in Rincon Valley. This distribution reflects where students live within elementary school districts.

Executive Summary, Cont'd

Scenario 3: Consolidation of Elementary School Districts Under Common Administration with SRCHSD.

This scenario would unionize (merge) elementary school districts without unification. The most cost savings would be achieved from consolidating administrations into one with SRCHSD. But Rincon Valley Union Elementary School District could opt to remain administratively independent of SRCHSD.

1. A *Santa Rosa Union Elementary School District*, merges Bellevue, Bennett Valley, Roseland, Wright, and Santa Rosa City Elementary Schools, and a consolidated administration with SRCHSD. Minimal revenue loss is projected, due to less concentration grant funds, by including Bennett Valley. But there would be **$7.1M in possible net positive fiscal gain** when comparing the larger elementary school district to other districts of similar size and demographics.

2. A *Rincon Valley Union Elementary School District*, merges Rincon Valley, Piner-Olivet, Kenwood, and Mark West for elementary purposes and then sends secondary pupils to SRCHSD, as done today. The merger would result in a possible **net positive financial impact of $7.6M**. Comparing the larger elementary district to other districts of similar size and demographics shows that $9.4M could be saved in cost. The loss of Kenwood community funding eligibility and other LCFF funding changes reduces revenue by $1.8M, but the potential cost savings more than make up for the loss.

A recap of the three scenarios and the net positive financial gain for each is shown below:

	Comparing the Revenue Changes in Each Scenario to the Potential Cost Savings						
	Scenario 1 - Unify Santa Rosa Area		Scenario 2 - Split SRCHSD into Two District Areas			Scenario 3 - Two Unionized Elementary Districts, One SRHSD	
	Santa Rosa Unified	Alternative: SRCESD and SRCHSD Unified - All Others Opt Out	Santa Rosa Unified (SRCESD, Roseland, Bellevue, Bennett Valley, Wright and SRCHSD Split on Proportionate ADA)	Rincon Valley HSD and Rincon Valley Union ESD - Common Administration	Alternative: Rincon Valley Unified Thompson-Style - Common Administration	3A: SRCESD, Roseland, Bellevue, Bennett Valley, and Wright	3B: Rincon Valley, Kenwood, Mark West and Piner-Olivet
Estimated Revenue Gain (Loss) Through Consolidation	$ (21,303,186)	$ (2,716,629)	$ 9,422,560	$ (1,812,358)	$ (4,052,731)	$ (1,399,304)	$ (1,812,358)
Potential Cost Savings Comparing Major Functions to Comparable Districts	44,817,195	none noted	7,593,823	13,974,850	13,974,850	8,543,086	9,404,811
Net Positive (Shortfall) Change When Compared to Comparative Districts on Cost	$ 23,514,009	$ (2,716,629)	$ 17,016,383	$ 12,162,492	$ 9,922,119	$ 7,143,782	$ 7,592,452
Total Estimated Net Positive Financial Gain	$ 23,514,009			$ 29,178,874			$ 14,736,234

In addition, an evaluation of long-term debt shows that most debt would remain within the territory that issued the debt. There would be a proportionate allocation based on either assessed valuation, ADA, or FTE when a district is split, such as in Scenario 2. This is often a negotiated process for non-voter secured debt. Pension liabilities are determined by the State and are outside district control. This division process is not expected to have a detrimental impact on the financial viability of the proposed new districts.

Executive Summary, Cont'd

Which Scenario Works Best Financially?

Financially, Scenario 2 is the best and first choice. Should **Santa Rosa City Unified School District** be created with SRCS, Roseland, Bellevue, Wright, and Bennett Valley, this would boost supplemental and concentration grant funding and save administrative costs for the single unified district. An estimated $17M total fiscal benefit could result.

Creating a **Rincon Valley High School District** and **Rincon Valley Union Elementary School District** with Piner-Olivet, Mark West, Rincon Valley, and Kenwood is also financially advantageous. The modest loss of Kenwood's basic aid funding would be more than offset by cost savings of $14M, for a net positive fiscal gain of $12.1M. Plus, the union elementary district would be very close to becoming basic aid. These two districts should operate as a consolidated administration for maximum fiscal benefit.

- Alternatively, should a **Rincon Valley Unified School District** wish to be created, the best financial option is to keep Piner-Olivet, Mark West, and Kenwood independent to avoid losing all basic aid (community aid) funding. Then if all four districts were consolidated administratively, a $9.9 M net positive fiscal benefit might be realized. But, cost savings opportunities would be lost if there was no common administration for all of the districts.

The second-best scenario financially is Scenario 3, which merges elementary school districts into two large union elementary districts, feeding to SRCHSD for secondary programs and, ideally, consolidated administratively. This creates **Santa Rosa Union Elementary School District** out of SRCESD, Roseland, Bennett Valley, Bellevue, and Wright. And **Rincon Valley Union Elementary School District** out of Rincon Valley, Piner-Olivet, Mark West, and Kenwood.

The financially riskiest scenario is full unification (Scenario 1). An immediate drop of an estimated $21.3M would need to be addressed, and projected cost savings of $44.8M might be difficult to achieve immediately.

The Scenario 1 alternative of unifying the existing Santa Rosa City schools does not appear to provide many benefits, especially when concentration grant funds are reduced, and administrative efficiencies have already been achieved.

Background

Ten school districts serve the heart of Santa Rosa, Sonoma County, and the surrounding foothill areas of Mark West and Kenwood. The schools serve about 26,000 pupils K-12, with one high school district and nine feeder elementary school districts. The first schools in the area started in the mid-1800s. Santa Rosa High was established in 1874. A list of districts included in this study is shown below:

Santa Rosa Area School Districts	CBEDS Enrollment 2022 With Local Charters
Bellevue Elementary School District	1,485
Bennett Valley Elementary School District	956
Kenwood Elementary School District	116
Mark West Elementary School District	1,280
Piner-Olivet Elementary School District	1,225
Rincon Valley Elementary School District	3,020
Roseland Elementary School District	1,469
Santa Rosa City Elementary Schools	4,846
Santa Rosa High School District	10,394
Wright Elementary School District	867
Total Enrollment	25,658

The largest elementary school district, Santa Rosa City Elementary School District (SRCESD), consolidates administratively with Santa Rosa City High School District (SRCHSD).   This means that the governing board and district office staff are shared by the two districts.

To a major extent, cost efficiencies for SRCSDs have already been realized through the consolidation of administration and functions. One potential cost savings the districts are looking at is providing special education services apart from the Santa Rosa County Special Education and Student Services Consortium. This effort would be accomplished outside the reorganization processes but is evaluated separately.

Except for SRCESD, all feeder elementary districts have separate boards and administration. Consolidation has the potential to save significant costs through the elimination of duplicative positions and possibly consolidation of school facilities.

Background, Cont'd

State funding-wise, the districts are different. Combining districts with disparate revenue profiles means losing funding, and cost savings would need to fill the resulting budget gap

The two funding profiles are:

- **Basic Aid or Community Funded:** Three districts (Piner-Olivet, Rincon Valley, and Mark West) receive basic aid supplemental funding by serving non-resident pupils in local charter schools. One district, Kenwood, is basic aid (community funded) with local taxes exceeding state minimum funding guarantees.

- **High Unduplicated Pupil Count (UPC):** Four districts (SRCESD, Bellevue, Roseland, and Wright) have concentration grant funds for the higher unduplicated pupil counts (either free and reduced meals or English Language Learners).

Other key characteristics of the districts include:

- SRCHSD operates five comprehensive high schools, four middle schools, and one alternative high school.
- The elementary districts are a combination of grades K-6 and K-8 school sites. Middle school pupils are served either by the elementary school district or SRCHSD.
- There are nineteen locally governed charter schools sponsored by six of the districts. Local charters have allowed three districts to receive extra basic aid supplemental funding. The charters can, in some cases, serve grades K-12.
- The districts are in the Local Education Agency (LEA) for the Santa Rosa County Special Education and Student Services Consortium. An analysis of the impact of separating from the county special education local plan area (SELPA) is planned if a scenario is selected for further analysis.
- The pupils in the Santa Rosa area are demographically predominately Hispanic (57%), followed by White (29%), with smaller sub-groups including Asian, American Indian, and African American. Roseland and Bellevue are nearly all Hispanic, while Kenwood and Mark West are predominately White (about 68%).
- In the greater Santa Rosa area, 56% of pupils are eligible for free and reduced meals and/or are English Language Learners. But there is a wide range of eligibility (between 24% and 93%) when comparing individual elementary districts.

Study Scope and Methodology

The scope of the unification is to evaluate the financial feasibility of complete unification of all affected districts or a partial unified under the Thompson provisions (EC Sections 35542(b) and 35710, which permits a school district to be excluded from a reorganization action). And merging districts through a territory transfer is also include in the scope instead of unification when it makes more financial sense.

Any proposed petition would need substantially meet the criteria in Education Code Section 35753. This report addresses one of the criteria, which states:

- The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed District, or any existing district affected by the proposed reorganization.

Unification and territory transfers (including unionization) can be accomplished through processes laid out in law. Education Code Section 35700 allows for several types of petitions that would apply to SRCHSD and the elementary districts:

1. A petition signed by a majority of the members of the governing boards of all affected districts; or,
2. A government entity petitions to unify (e.g., city council, board of supervisors, or any special district); or,
3. A petition signed by at least 25 percent of the registered voters in the inhabited territory proposed to be reorganized (if the territory proposed for reorganization is located within two or more school districts, the signatures of at least 25 percent of the registered voters from that territory in each school district are required); or,
4. The County committee formulates a plan and recommendation under EC Section 35720, which is then submitted for approval by the State Board of Education.

Following the submission of a petition, the county superintendent would:

a) Determine the sufficiency within 30 days of receipt (EC Section 35704),
b) Hold public hearings within 60 days of receipt of a valid petition (EC Section 35705 and 35705.5), and,
c) Conduct a study on the impact and make a county committee recommendation within 120 days of the first public hearing (EC Section 35753).

Study Scope and Methodology, Cont'd

About the Data: CW utilized data provided by the districts to the Sonoma County Office of Education (SCOE) and the California Department of Education (CDE). The data is from mandated state reporting that includes:

- ✓ SACS financial reporting – interim, budget, and unaudited actual reports
- ✓ CBEDS – enrollment census counts
- ✓ CalPADS – unduplicated pupil counts by subgroup
- ✓ Apportionment schedules – the amount paid by the state and federal government
- ✓ ADA reporting – average daily attendance
- ✓ Charter School Directory – listed by the school district
- ✓ Property Tax Reporting – actual property taxes collected by each District

The CDE and Ed Data Partnership aggregate this data and have search engines CW used for downloading data for each school district in the study.

In addition, CW found data from these sources:
- ✓ Sonoma County Assessor's Office – data on assessed valuation
- ✓ Proximityone.com – data on square miles of affected districts
- ✓ District websites

This analysis is based on the <u>most current, actual financial, and pupil data available</u>. For the revenue calculations and most expenditure comparisons, the most recent actual fiscal years were 2021-22 and 2020-21. Forecasts, when done, using actual historical data and reasonable assumptions.

Changes in state funding allocations, the law, pupil enrollment, and local economics might influence future decisions and the conclusions in this report. The report is a snapshot in time, but certain financial fundamentals are unlikely to change the overall issues and conclusions in the short term.

Note: Study Scenarios presented are best estimates, not assurance about actual future results.

Use of Comparative School Districts: CW has gathered financial data from school districts of comparable size and, to the extent possible, pupil demographics to those examined in the three scenarios. The financial data for the comparative school districts came from the same sources as the studied affected districts, the CDE. CW carefully chose comparative districts based on the size of the studied configuration and with similar unduplicated pupil counts. While there is not a perfectly matched relative district, the averaged results reasonably estimate each studied district scenario's expenses.

How Charters are Handled in the Study: CW has identified and segregated the charter schools between those locally controlled by the District governing boards and those run by independent nonprofit corporations. When analyzing cost savings, the operating costs of the districts and the local charters are evaluated in combination since the governing boards manage the costs of both. The LCFF computations are analyzed separately between the district and local charters for revenues, but other funding sources are combined. The finances of independent charters have not been studied as there is no local control over their operations. If a reorganization were to occur, all affected charter schools would need to be reauthorized by the newly created district(s).

Communication with the CDE: CW has spoken to the California Department of Education (CDE) School District Unification staff regarding LCFF calculations in a school district unification and the petition process. CDE's staff were helpful and will be an essential resource should a potential petition be studied further and developed.

Scenario Selection Considerations

This study focuses on the financial legal criteria for school district reorganization, including unification and unionization, which states:

> *The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district, or any existing district affected by the proposed reorganization.*

LCFF Considerations in Determining the Scenarios

Local Control Funding Formula (LCFF) is the primary state funding model for school districts in California. The school districts in the Santa Rosa area have two very different LCFF profiles.

1. Four of the school districts have high Unduplicated Pupil Counts (UPC) and receive concentration grant money amounting to $9.9 million annually.
2. A different four school districts have more property tax revenues that exceed state aid guarantees and receive $11.4 million annually ($9.7M in Basic Aid Supplement and $1.8M in true basic aid).

The table below shows the funding profiles by district. Any consolidation that combines #1 and #2 above results in a loss of LCFF funding. The Scenarios chosen were those that might best retain some of the basic aid and concentration grant funds and maximize cost savings potential.

`	LCFF ADA 20-21	Basic Aid? Basic Aid*	2021-22 P2	Basic Aid Supplement Eligible?	2021-22 P2	Concentration Grant Funds 2021-22 P2
Bellevue Elementary School District	1,532.57	no				$ 2,989,285
Bennett Valley Elementary School District	969.72	no				
Kenwood Elementary School District	55.67	yes	$ 1,802,840			
Mark West Elementary School District	422.93	no			$ 2,706,065	
Piner-Olivet Elementary School District	273.93	no		yes	2,891,660	
Rincon Valley Elementary School District	1293.7	no		yes	4,052,731	
Roseland Elementary School District	1370.05	no				2,980,621
Santa Rosa City Elementary Schools	3396.48	no				2,753,741
Santa Rosa High School District	10076.31	no				
Wright Elementary School District	965.95					1,179,852
totals	20,357.31		$ 1,802,840		$ 9,650,456	$ 9,903,499

Total local revenue less state aid guarantee plus categorical state minimum guarantee to basic aid districts.

Scenario Selection Considerations, Cont'd

Before any Scenario is ultimately selected for further study, the Scenario would need to pass all State criteria, including, for example, not promoting racial or ethnic segregation and providing adequate school housing. CW did two analyses to help discern whether there might be issues related to race/ethnicity and school housing.

Considering the Race and Ethnicity Criterion

State law requires the reorganization of the districts to preserve each affected district's ability to educate students in an integrated environment and not promote racial or ethnic discrimination or segregation. Isolating a particular race or ethnicity through school district reorganization would be detrimental to the passage of any petition.

CW observed that each school board has policies to prevent racial and ethnic segregation in their districts. Like most school districts, schools are centered in neighborhoods, each with a demographic profile. The high school demographics draw on larger geographical areas and are influenced by proximity to feeder school sites, facility capacity, and transportation routes.

In reorganizing districts, keeping the current demographic mix within a reasonable range would not likely promote discrimination or segregation in a reorganization. Therefore, CW accumulated high school demographics by school site and attendance area and added the statistics to the elementary school district data. Tables were developed to compute each scenario's racial/ethnic mix.

As shown on the table on the next page, **Scenario 1,** with all districts unified, would be majority Hispanic (57%), followed by white (29%), and all other sub-groups, including more than one race, that combines to 8%.

Under **Scenario 2**, the two district areas (Santa Rosa and Rincon Valley) would primarily reflect the racial/ethnic makeup of existing elementary districts and secondary attendance areas. But there would be some changes when comparing Scenario 1 to 2:

- A *Santa Rosa City Unified* would have about 8% less White, 11% more Hispanic, and 3% fewer in all other subgroups.

- A *Rincon Valley High School District* would be split 43%/39% between White and Hispanic, plus other subgroups at 18%. And not one group is more than 50% of the population at the secondary level. The racial/ethnic makeup at *Rincon Valley Union Elementary School District* would be the same today for these elementary school districts.

Scenario Selection Considerations, Cont'd

Considering the Race and Ethnicity Criterion, Cont'd

Under **Scenario 3**, below, the expected racial and ethnic makeup would mirror that of the combined elementary school districts:

- A *Santa Rosa City Union Elementary School District*, comprised of SRCESD, Bellevue, Bennett Valley, Roseland, and Wright, would be predominately Hispanic and Other Latin groups at 72%, White at 18%, and all other groups comprising 9%.

- A *Rincon Valley Union Elementary School District,* comprised of Rincon Valley, Piner-Olivet, Mark West, and Kenwood, would be nearly evenly split between White at 49% and all other groups at 51%, with Hispanic and Other Latin groups the second highest at 33%.

	Enrollment 21-22	White	Hispanic and Latin	Asian	African American	Other Groups and More Than Two Races
Scenario #1 - Full Unification All Districts	26,973	29%	57%	4%	2%	8%
Scenario #2 - Split SRCHSD						
Santa Rosa City Unified (Santa Rosa Elem, Bellevue, Bennett Valley, Roseland and Wright)	17,316	21%	68%	3%	2%	6%
Rincon Valley High School and Union Elementary School Common Administration	9,561	43%	39%	6%	2%	10%
Scenario #3 - Merged Elementary Districts						
Santa Rosa Elem, Bellevue, Bennett Valley, Roseland and Wright	11,491	18%	72%	3%	1%	5%
Rincon Valley, Kenwood, Mark West and Piner-Olivet	5,088	49%	33%	5%	2%	10%

Scenario Selection Considerations, Cont'd

Considering the High School Boundaries in Developing the Scenarios

Any viable scenario needs to consider the existing secondary school locations. To be financially feasible, any unification proposal needs to meet both financial and the school housing criteria:

- Criterion #7 Any increase in school facilities costs due to the proposed reorganization will be insignificant and otherwise incidental to the reorganization.

This report is not tasked with comprehensively analyzing school housing costs and adequacy. Still, each Scenario in this report should have apparent adequate housing.

The map below shows the current high school attendance boundaries, followed by middle school boundaries—source: Santa Rosa City Schools, My School Locator.

Current High School Attendance Boundaries

Scenario Selection Considerations, Cont'd

Considering the High School Boundaries in Developing the Scenarios, Cont'd

Current SRCHSD Middle School Attendance Boundaries
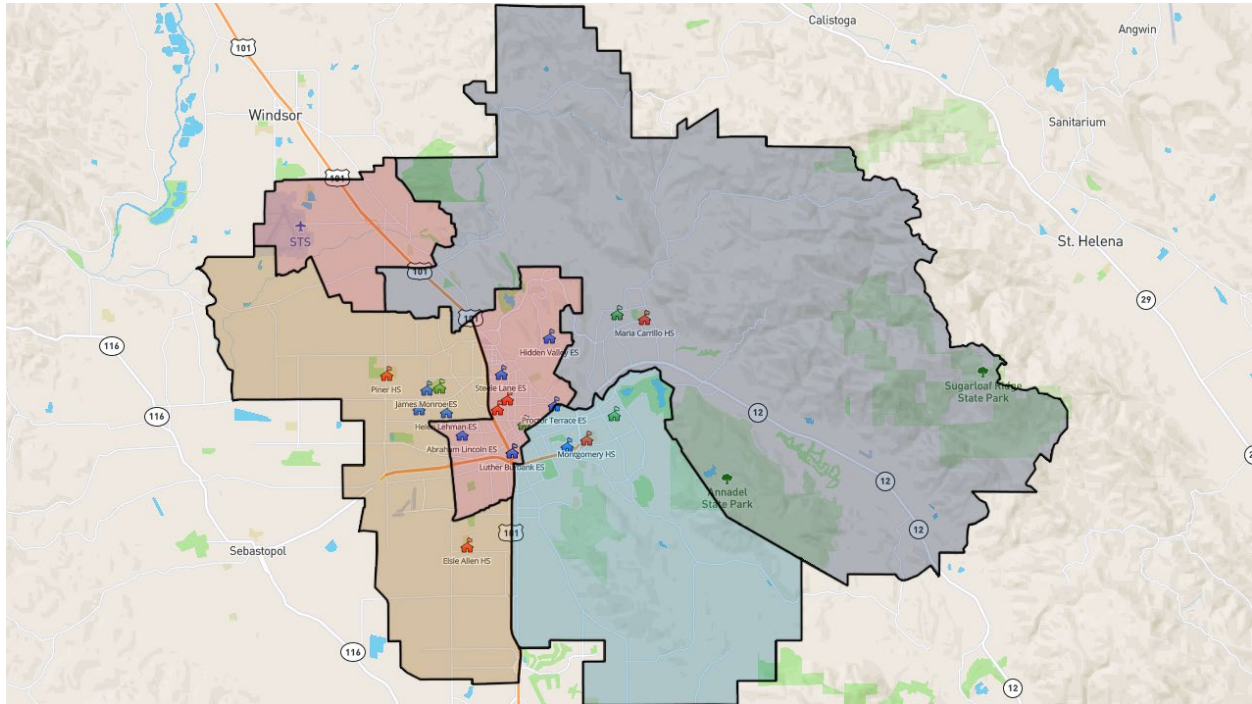
In a full unification **Scenario 1**, the attendance boundaries above would remain the same.

Scenario Selection Considerations, Cont'd

Considering the High School Boundaries in Developing the Scenarios, Cont'd

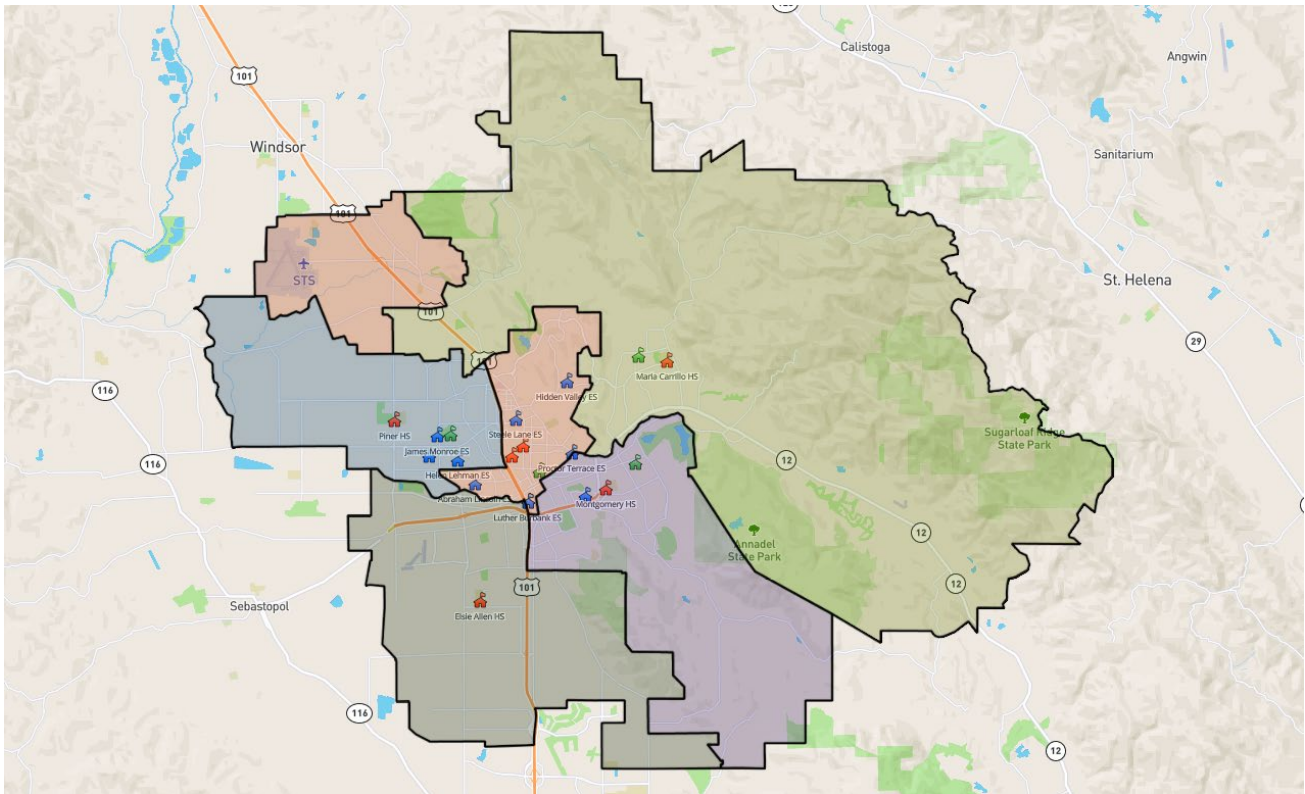In **Scenarios Two**, which creates two school districts dividing the current Santa Rosa City High School District, the dividing line used that makes the most sense financially and school housing-wise would result in the following facilities in each district:

Santa Rosa City Unified (Santa Rosa Elem, Bellevue, Bennett Valley, Roseland and Wright)	Enrollment 21-22	Rincon High and Elem Districts (Kenwood, Mark West and Piner-Olivet)	Enrollment 21-22
Elsie Allen High (Bellevue)	1,088	Piner High (Piner-Oliver)	1,425
Santa Rosa High (Santa Rosa)	1,814	Maria Carrillo High (Rincon Valley)	1,545
Montgomery High (Santa Rosa)	1,591	Slater Middle (Rincon)	701
Comstock Middle (Santa Rosa)	418	Rincon Valley Middle (Rincon Valley)	802
Santa Rosa Middle (Santa Rosa)	494	*Total Enrollment, before unification*	4,473
		Secondary population post unification (37% of SRCHSD assumed)	**3,846**
Ridgway Continuation High (Santa Rosa)	246	**Over (Under) Current Enrollment**	**627**
Total Enrollment, before unification	5,651		
Secondary population post unification (63% of SRCHSD assumed)	**6,548**		
Over (Under) Current Enrollment	**(897)**		

Note: the above does not consider current site housing excess or under capacity. And the Rincon Valley area would need to establish an alternative education school site, including a continuation high school.

Under **Scenario 2**, there would be some changes to existing high school boundaries as many SRCESD pupils attend Comstock Middle attend Piner High and would likely go to Santa Rosa High schools post-unification. And Mark West pupils attend Santa Rosa High and would go to either Piner or Maria Carrillo High Schools.

It should be noted that some elementary districts are serving grades 7-8 in local charter schools, such as Mark West, Piner-Olivet, and Rincon Valley

In **Scenario 3**, the two merged elementary school districts would continue to send pupils to the SRCHSD based on the attendance boundaries as of the date of the merger. In other words, no changes in attendance boundaries due to reorganization.

District Facilities

The following is a recap of each school district, the school sites in operation, the grade levels served, whether charter schools are on the sites and whether the property is owned by the school district.

There are 50 school sites. See the tables on pages 20-21. Compared to similar districts, the average is about 32, leaving 18 school sites in the Santa Rosa area over the average. The Santa Rosa area covers 184 square miles, twice the average size, and would justify more school sites due to greater transportation distances (source: ProximityOne.com). But there might be opportunities with a reorganization to reduce the number of school sites. Most Santa Rosa school sites are clustered in the most populated areas.

Comparative Analysis Unified District	Elementary Sites (K-8)	Middle/Junior School Sites	High School Sites	Alternative Schools	Total Sites	Land sq. miles
Santa Rosa Unified Area (25,916)	**40**	**4**	**5**	**1**	**50**	**185**
Riverside (26,982)	29	7	5	3	44	89
Glendale (24,924)	20	3	4	3	30	38
Hesparia (24,216)	13	4	3	3	23	138
Orange (26,942)	28	5	4	3	40	142
Chino (27,333)	23	5	4	3	35	85
Manteca (23,660)	20	0	5	1	26	111
Montebello (23, 092)	17	6	4	1	28	22
Placentia-Yorba Linda (24, 296)	21	6	5	2	34	38
Saddleback Valley (24,954)	22	4	4	3	33	96
Rialto (24,261)	19	5	5	1	30	51
Average of Comparative Districts	*21.20*	*4.50*	*4.30*	*2.30*	*32.30*	*81.00*

* Based on addresses, more than one program might operate on the campus. Does not include non-operational sites or sites leased.

School consolidation could yield significant cost savings, but a future study should consider:

- Transportation routes, especially in the rural areas. Bus ride times and road safety are essential to evaluate.

- Condition and pupil capacity of receiving school sites. Costs would be required to possibly renovate and expand the receiving school site's classrooms, play areas, gyms, front offices, multi-purpose rooms, etc. And there would be one-time moving costs.

- Plans on the future use of the closing school sites. Could and should the school site be sold or leased out?

District Facilities, Cont'd

If feasible, consolidation of enrollment and closure of sites would save the newly unified or unionized school district costs for school administration, maintenance and operations, utilities, groundskeeping, and modernization. Cost savings might be offset by some costs to meet the demand for more staffing at expanded sites, possible reconfiguration of sites, and more transportation routes. But overall, there would likely be net positive cost savings.

Before a decision to close a school site, CW recommends full facilities used to study and master plan. Factors to be considered would include an inventory of existing sites, useful life, gross square footage, current cost to operate the site (gross and on a per SF basis), deferred maintenance needs, number of site acres, and proximity to school-age populations.

Major factors to consider regarding transportation include the pupil's age, the distance between home and school, ride times, safety, cost, availability of buses, and the opening and closing times of the schools.

Santa Rosa Area School Districts and Facilities

Name of District and Site	Location	Grades Served	Enrollment FY2021-22	Charter School?	District Property?	Number of school campuses	Land Square Miles*
Santa Rosa Area: Listing of Facilities Used							
Santa Rosa City Elem Schools						12	14
Abraham Lincoln Elem	850 W 9th St, Santa Rosa, CA 95401	K-6	273		yes		
Albert Biella Elem	2140 Jennings Ave, Santa Rosa, CA 95401	K-6	257		yes		
Brook Hill Elem	1850 Vallejo St, Santa Rosa, CA 95404	K-6	329		yes		
Cesar Chavez Language Academy	2480 Sebastopol Rd, Santa Rosa, CA 95407	K-8	927	yes	yes		
Helen Lehman Elem	1700 Jennings Ave, Santa Rosa, CA 95401	K-6	415		yes		
Hidden Valley Elem	3435 Bonita Vista Dr, Santa Rosa, CA 95404	K-6	465		yes		
James Monroe Elem	2567 Marlow Rd, Santa Rosa, CA 95403	K-6	373		yes		
Luther Burbank Elem	203 S A St, Santa Rosa, CA 95401	K-6	294		yes		
Proctor Terrace Elem	1711 Bryden Ln, Santa Rosa, CA 95404	K-6	342		yes		
Santa Rosa Charter School for the Arts	756 Humboldt St, Santa Rosa, CA 95404	K-8	393	yes	yes		
Santa Rosa French American Charter	1350 Sonoma Ave, Santa Rosa, CA 95405	K-6	397	yes	yes		
Steele Lane Elem	301 Steele Ln, Santa Rosa, CA 95403	K-6	370		yes		
Santa Rosa City High Schools						10	184
Elsie Allen High	599 Bellevue Ave, Santa Rosa, CA 95407	9-12	1,088		yes		
Herbert Slater Middle	3500 Sonoma Ave, Santa Rosa, CA 95405	7-8	701		yes		
Hilliard Comstock Middle	2750 W Steele Ln, Santa Rosa, CA 95403	7-8	418		yes		
Learning House	211 Ridgway Avenue, Santa Rosa, CA 95401	K-3	28	yes	yes, shared site		
Maria Carrillo High	6975 Montecito Blvd, Santa Rosa, CA 95409	9-12	1,545		yes		
Montgomery High	1250 Hahman Dr, Santa Rosa, CA 95405	9-12	1,591		yes		
Piner High	1700 Fulton Rd, Santa Rosa, CA 95403	9-12	1,425		yes		
Ridgway High	325 Ridgway Ave, Santa Rosa, CA 95401	11-12	246		yes, shared site		
Rincon Valley Middle	4650 Badger Rd, Santa Rosa, CA 95409	7-8	802		yes, shared site		
Santa Rosa High	1235 Mendocino Ave. Santa Rosa, CA 95401	9-12	1,814		yes		
Santa Rosa Middle	211 Ridgway Ave., Santa Rosa, California 9540	7-8	494		yes		
Santa Rosa Accelerated Charter	4650 Badger Rd, Santa Rosa, CA 95409	5-6	128	yes	yes, shared site		
Mark West Elem						3	24
John Riebli Elem Charter	315 Mark West Springs Rd, Santa Rosa, CA 954	K-6	362	yes	yes		
Mark West Charter	4600 Lavell Rd, Santa Rosa, CA 95403	K-8	132	yes	yes, shared site		
Mark West Elem	4600 Lavell Road, Santa Rosa, CA 95403	K-6	385		yes, shared site		
San Miguel Charter	5350 Faught Rd, Santa Rosa, CA 95403	K-6	399	yes	yes		

# Santa Rosa Area School Districts and Facilities, cont'd

Name of District and Site	Location	Grades Served	Enrollment FY2021-22	Charter School?	District Property?	Number of school campuses	Land Square Miles*
Santa Rosa Area: Listing of Facilities Used, Continued							
Pinter-Olivet Elem						4	14
Jack London Elem	2707 Francisco Ave, Santa Rosa, CA 95403	K-6	260		yes, shared site		
Piner-Olivet Charter	2707 Francisco Ave, Santa Rosa, CA 95403	K-8	198	yes	yes, shared site		
Northwest Prep Charter	2590 Piner Rd, Santa Rosa, CA 95401	K-12	143	yes	yes		
Morrice Schaefer Charter	1370 San Miguel Ave, Santa Rosa, CA 95403	K-6	326	yes	yes		
Olivet Elem Charter	1825 Willowside Rd, Santa Rosa, CA 95401	K-6	295	yes	yes		
Rincon Valley Elem						8	62
Austin Creek	1480 Snowy Egret Dr, Santa Rosa, CA 95409	K-6	341		yes		
Binkley Elem Charter	4965 Canyon Dr, Santa Rosa, CA 95409	K-6	332	yes	yes		
Madrone Elem	4550 Rinconada Dr, Santa Rosa, CA 95409	K-6	374		yes		
Manzanita Elem Charter	1687 Yulupa Ave, Santa Rosa, CA 95405	K-6	396	yes	yes		
Rincon Valley Partnership Charter	5305 Dupont Dr, Santa Rosa, CA 95409	K-6	98	yes	yes, shared site		
Sequoia Elem	5305 Dupont Dr, Santa Rosa, CA 95409	K-6	401		yes, shared site		
Spring Lake Charter	4675 Mayette Ave, Santa Rosa, CA 95405	K-8	385	yes	yes		
Village Elem Charter	900 Yulupa Ave, Santa Rosa, CA 95405	K-6	349	yes	yes		
Whited Elem Charter	4995 Sonoma Hwy, Santa Rosa, CA 95409	K-6	337	yes	yes		
Kenwood Elem						1	24
Kenwood Elem	230 Randolph Ave, Kenwood, CA 95452	K-6	115		yes		
Bennett Valley Elem						2	17
Strawberry Elem	2311 Horseshoe Dr, Santa Rosa, CA 95405	4-6	380		yes		
Yulupa Elem	2250 Mesquite Dr, Santa Rosa, CA 95405	K-3	574		yes		
Bellevue Elem						4	22
Bellevue Elem	3223 Primrose Ave, Santa Rosa, CA 95407	K-6	386		yes		
Kawana Springs Elem	2121 Moraga Dr, Santa Rosa, CA 95404	K-6	286		yes		
Meadow View Elem	2665 Dutton Meadow, Santa Rosa, CA 95407	K-6	398		yes		
Taylor Mountant Elem	1210 E Bellevue Ave, Santa Rosa, CA 95407	K-6	413		yes		
Roseland Elem						3	2
Roseland Creek Elem	1683 Burbank Ave, Santa Rosa, CA 95407	K-6	452		yes		
Roseland Elem	950 Sebastopol Road , Santa Rosa ,CA 95407	K-6	469		yes		
Sheppard Elem	1777 West Ave, Santa Rosa, CA 95407	K-6	545		yes		
Wright Elem						3	6
J.X. Wilson Elem	246 Brittain Ln, Santa Rosa, CA 95401	K-6	411		yes		
Robert L. Stevens Elem	2345 Giffen Ave, Santa Rosa, CA 95407	K-6	450		yes		
Wright Charter	4389 Price Ave, Santa Rosa, CA 95407	K-8	409	yes	yes		
		Totals	**25,916**			**50**	

* *source:Census,School District Special Tabulation,proximityone.com*

Enrollment and ADA Data

CW gathered data on enrollment and ADA trends for the affected school districts and the locally controlled charter schools. Note: independent charter schools are legally separate from the districts and not analyzed for enrollment and ADA.

Enrollment and ADA Trends

Public school enrollment in Sonoma County is projected to decline steadily over the next ten years, with a 17% decrease over the fiscal year 2020-21.
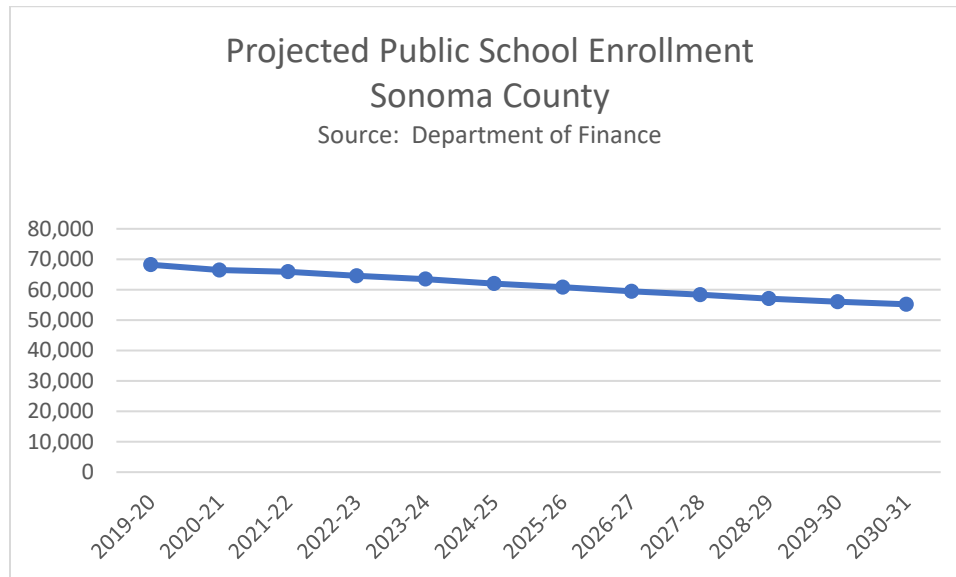
For the Santa Rosa area districts, shown in the enrollment and ADA trends tables on the following two pages, there has been a 10% decline in enrollment over the past six years and a 7% decline in ADA. The ADA decline is probably closer to the enrollment decline of 10%, given the state funding formula that funds the greater of prior or current year ADA. The only District that experienced enrollment growth was Roseland. All other districts had enrollment declines that ranged from a low of 7% in SRCESD to a high of 22% in Bellevue and Kenwood.

Note: Kenwood numbers include district of choice pupils in the enrollment numbers (but not in ADA).

A five-year historical trend of enrollment and ADA is on pages 23-24, plus the 2021-22 P2 reporting.

Enrollment and ADA Data, Cont'd

Trends in Enrollment and ADA (includes local charters)							
Source: CDE, LCFF ADA Exhibits	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 (P2)	% Change Over 6 years
Santa Rosa City/ Santa Rosa Elem							
Enrollment Total	5,315	5,246	4,992	5,016	4,651	4,941	-7%
Grades TK-3	3,103	3,116	2,997	2,759	2,700	2,632	-15%
Grades 4-6	2,038	1,965	1,999	1,977	2,012	1,935	-5%
Grades 7-8	51	65	60	78	78	487	864%
Total ADA	5,191	5,147	5,057	4,814	4,790	5,054	-3%
Reported ADA as a % of Enrollment	98%	98%	101%	96%	103%	102%	5%
Santa Rosa High School District							
Enrollment Total	11,263	11,186	11,104	10,941	10,821	10,394	-8%
Grades 4-6	125	123	123	124	124	121	-3%
Grades 7-8	3,007	2,961	2,959	2,978	2,827	2,815	-6%
Grades 9-12	7,531	7,505	7,409	7,343	7,302	7,261	-4%
Total ADA	10,663	10,589	10,491	10,445	10,252	10,197	-4%
Reported ADA as a % of Enrollment	95%	95%	94%	95%	95%	98%	4%
Mark West Elementary School District							
Enrollment Total	1,475	1,459	1,444	1,414	1,298	1,280.00	-13%
Grades TK-3	766	748	751	742	740	681	-11%
Grades 4-6	543	522	525	520	521	478	-12%
Grades 7-8	114	110	113	109	109	100	-12%
Total ADA	1,423	1,380	1,390	1,371	1,371	1,259	-12%
Reported ADA as a % of Enrollment	96%	95%	96%	97%	106%	98%	2%
Piner-Olivet Elementary School District							
Enrollment Total	1,422	1,358	1,251	1,281	1,240	1,225	-14%
Grades TK-3	617	594	551	539	528	505	-18%
Grades 4-6	430	251	390	383	388	380	-12%
Grades 7-8	242	223	236	242	242	217	-10%
Grades 9-12	68	65	64	65	62	71	5%
Total ADA	1,357	1,134	1,241	1,228	1,220	1,173	-14%
Reported ADA as a % of Enrollment	95%	84%	99%	96%	98%	96%	0%
Kenwood Elementary School District							
Enrollment Total	149	141	138	141	131	116	-22%
Grades TK-3	34	34	26	28	26	38	11%
Grades 4-6	39	37	33	27	26	18	-53%
Total ADA	73	72	58	55	52	56	-23%
Reported ADA as a % of Enrollment	49%	51%	42%	39%	40%	48%	-1%
Bennett Valley Elementary School District							
Enrollment Total	1,035	1,022	995	1,003	989	956	-8%
Grades TK-3	581	582	576	590	590	589	n/a
Grades 4-6	425	410	409	383	383	380	n/a
Total ADA	1,006	992	985	973	973	969	-4%
Reported ADA as a % of Enrollment	97%	97%	99%	97%	98%	101%	4%
Bellevue Elementary School District							
Enrollment Total	1,895	1,845	1,621	1,599	1,544	1,485	-22%
Grades TK-3	1,011	1,018	946	896	858	853	-16%
Grades 4-6	685	676	694	660	689	680	-1%
Grades 7-8	80	76	-	-	-	-	-100%
Grades 9-12	44	64	-	-	-	-	-100%
Total ADA	1,820	1,834	1,640	1,556	1,548	1,533	-16%
Reported ADA as a % of Enrollment	96%	99%	101%	97%	100%	103%	8%

Enrollment and ADA Data, Cont'd

Trends in Enrollment and ADA (includes local charters), Continued							
Source: CDE, LCFF ADA Exhibits	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 (P1)	% Change Over 6 years
Roseland Elementary School District							
Enrollment Total	2,752	2,874	2,912	2,867	2,873	2,833	3%
Grades TK-3	965	927	872	810	810	808	-16%
Grades 4-6	780	780	727	735	735	614	-21%
Grades 7-8	443	469	496	465	465	440	-1%
Grades 9-12	587	644	707	768	768	764	30%
Total ADA	2,775	2,820	2,801	2,777	2,777	2,626	-5%
Reported ADA as a % of Enrollment	101%	98%	96%	97%	97%	93%	-8%
Wright Elementary School District							
Enrollment Total	1,593	1,567	1,480	1,451	1,308	1,276	-20%
Grades TK-3	837	795	776	743	708	689	-18%
Grades 4-6	636	601	589	564	583	552	-13%
Grades 7-8	107	110	106	105	105	92	-14%
Total ADA	1,580	1,506	1,472	1,412	1,395	1,333	-16%
Reported ADA as a % of Enrollment	99%	96%	99%	97%	107%	104%	5%
Rincon Valley Elementary School District							
Enrollment Total	3,552	3,442	3,307	3,241	3,096	3,020	-15%
Grades TK-3	1,780	1,733	1,633	1,587	1,611	1,526	-14%
Grades 4-6	1,372	1,326	1,245	1,209	1,218	1,169	-15%
Grades 7-8	327	295	326	323	232	278	-15%
Total ADA	3,478	3,354	3,203	3,119	3,061	2,973	-15%
Reported ADA as a % of Enrollment	98%	97%	97%	96%	99%	98%	1%
Total All Santa Rosa Districts							
Enrollment Total	30,451	30,140	29,244	28,954	27,951	27,526	-10%
Grades TK-3	9,693	9,548	9,128	8,693	8,570	8,321	n/a
Grades 4-6	7,072	6,692	6,734	6,581	6,679	6,327	n/a
Grades 7-8	4,370	4,309	4,296	4,300	4,058	4,429	n/a
Grades 9-12	8,230	8,279	8,179	8,176	8,131	8,096	n/a
Summary ADA West Sonoma Districts	29,366	28,827	28,338	27,749	27,438	27,173	-7%
Reported ADA as a % of Enrollment	96%	96%	97%	96%	98%	99%	2%

Property Tax Trends

Property tax revenues are a part of the study since four of the ten school districts receive tax revenues above the State per pupil LCFF funding guarantees, either in true basic aid funding or supplemental funding. This is called basic aid (or community funded) and basic aid supplement (due to local charter funding).

This study considered whether each scenario combining districts would or would not be basic aid in the foreseeable future. Presently, only Kenwood is a true basic aid district, while Rincon Valley, Mark West, and Piner-Olivet receive basic aid supplemental funding.

Only a small percentage of districts in the State are basic-aid, and this added funding helps augment and enrich the educational program and services. Losing basic aid dollars is significant to the budget of a new unified school district with combined higher than average expenditures committed primarily to salaries and benefits.

Over the past six years, property tax revenues have grown 22% area-wide. Mark West grew the least at 17%, while Roseland grew the most at 37%. The average annual tax increase was about 4% area-wide, above the statutory maximum of the lower of 2% or the statutory COLA times AV annually. But, even with the increases in recent state-aid COLA of 5% and more, it is unlikely property taxes will outpace the annual increase in COLA any time soon unless there is a major decline in enrollment.

School Districts	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 (P2)	% Increase Past 5 Years
Bellevue Elementary School District	7,369,788	7,373,167	8,168,040	8,637,230	8,989,690	9,188,217	24.7%
Bennett Valley Elementary School District	4,522,309	4,707,085	4,974,320	5,263,695	5,456,190	5,544,158	22.6%
Kenwood Elementary School District	1,978,768	2,058,056	2,130,412	2,233,880	2,327,425	2,352,458	18.9%
Mark West Elementary School District	6,825,830	7,155,236	6,882,021	7,489,330	7,856,179	7,984,919	17.0%
Piner-Olivet Elementary School District	5,006,633	5,239,436	5,258,198	5,687,423	5,926,933	6,147,166	22.8%
Rincon Valley Elementary School District	16,839,211	17,575,000	18,355,787	19,392,031	20,164,423	20,169,388	19.8%
Roseland Elementary School District	6,397,232	6,690,146	8,020,969	8,776,213	9,142,246	8,763,298	37.0%
Santa Rosa City Elementary Schools	24,808,025	23,973,224	26,256,428	27,710,977	28,937,522	29,646,352	19.5%
Santa Rosa High School District	61,246,188	62,558,579	66,206,283	69,925,889	73,666,785	75,359,535	23.0%
Wright Elementary School District	4,778,759	4,715,819	5,272,112	5,557,313	5,770,789	5,839,406	22.2%
Total Santa Rosa Area School Districts	$ 139,772,743	$ 142,045,748	$151,524,570	$ 160,673,981	$ 168,238,182	$ 170,994,897	22.3%

* excludes redevelopment and community development funds

Would Any of the Scenarios be Basic Aid?

Perhaps, but not initially, based on data today. None of the scenarios would have local property tax revenues plus categorical minimum state aid more than LCFF state aid. But a merger of Kenwood, Rincon, Mark West, and Piner-Olivet (in Scenario 3) would be close, within an estimated $128K, depending on ERAF recomputations. Over time, the merged district might become a true basic aid district. In the meantime, the district would receive considerable basic aid supplemental funding by continuing to operate the local charters.

Local Control Funding Formula (LCFF)

The LCFF is the most significant source of revenue for K-12 school districts in California. The impact of unification on the LCFF revenues is the most critical consideration for any reorganization proposal. While there might be cost efficiencies achieved through consolidation, the potential loss of revenue might exceed actual cost savings, especially in the short term. If any proposal has a significant overall negative fiscal impact, the proposal will fail to meet the State's fiscal impact and status criterion.

Changes in school boundaries require recalculating major LCFF components, including excess (Basic Aid) taxes, Basic Aid Supplemental funds, Educational Protection Account, and supplemental and concentration grants. The LCFF formula is quite complex as it uses the 2012-13 base year, which is unique to each District. A weighted average calculation based on proportionate ADA is required for some LCFF components.

LCFF Basic Components:

The base LCFF grant per Average Daily Attendance (ADA) is the same for each school district in California (based on grade span). In addition, the Unduplicated Pupil Count (UPC) determines the individual school district's level of English Language Learner and Low-Income student population. The State provides added funding for UPCs in supplemental and concentration grants. Plus, certain districts (and four in the Santa Rosa area) receive extra funding due to basic aid status (both in excess taxes and basic aid supplemental funding related to sponsored charter schools). Other formulas, such as necessary small school funding, are available when eligibility requirements are met (not met in the Santa Rosa schools).

The Educational Protection Act (EPA) is a component of LCFF. It guarantees a minimum of $200 per ADA, plus a $120 per ADA constitutional minimum (basic aid districts receive this guarantee). EPA revenue is determined after basic aid funding is computed. There is a cap on EPA funding, but EPA cannot fall below the $200/ADA guarantee.

All districts in the Santa Rosa area receive some supplemental grant funds, and four receive concentration funds (i.e., Bellevue, Roseland, SRCESD, and Wright).

Local Control Funding Formula (LCFF), Cont'd

A recap of the LCFF calculations for each scenario is shown below and on the following pages. A more detailed analysis of each scenario fiscal impacts is included in the LCFF component analyses.

Scenario 1

Scenario 1 – All ten districts unify. This results in the most revenue loss, amounting to an estimated $21.3M. Four districts' basic aid advantages are lost, and the Unduplicated Pupil Count (UPC) drops below concentration grant eligibility levels.

- **Alternative** - A unification of SRCESD and SRCHSD, which operate today under a common administration. A fiscal loss of about $2.7M is estimated as concentration grant eligibility is lost by averaging the high school district's lower UPC to the elementary district's higher UPC.

	Before Unification	After Unification
Scenario 1 - All District Unification		
Enrollment with local charters	25,608	25,608
Total LCFF Funding State Aid/Taxes	$ 223,312,939	$ 211,660,209
Basic Aid Supplement	9,650,456	-
	$ 232,989,003	$ 211,685,817
LCFF Revenue Change		**$ (21,303,186)**
Analysis of the Revenue Loss:		
Concentration Grant	$ (9,903,499)	
Supplemental Grant	109,639	
Basic Aid (Kenwood)	(1,700,976)	
Basic Aid Supplement	(9,650,456)	
Additional Minimum State Aid	(136,409)	
Other - Minor	(21,485)	
Total Loss	**$ (21,303,186)**	
% of Prior LCFF Funding	*-9.14%*	
UPC % After Unification	54.84%	
	Before Unification	After Unification
Scenario 1 - SRCESD and SRCHSD Unify		
Enrollment with local charters	15,240	15,240
Total LCFF Funding State Aid/Taxes	$ 143,666,481	$ 140,949,852
	$ 143,681,721	$ 140,965,092
LCFF Revenue Change		$ (2,716,629)
Analysis of the Revenue Loss:		
Concentration Grant	$ (2,753,741)	
Supplemental Grant	37,112	
Total Loss	**$ (2,716,629)**	
% of Prior LCFF Funding	*-1.89%*	
UPC % After Unification	50.31%	

Local Control Funding Formula (LCFF), Cont'd

Scenario 2

Scenario 2 splits the Santa Rosa high school district into Santa Rosa Unified (63% of the high school ADA) and then creates a new Rincon Valley High School District (37% of the high school ADA) and a Rincon Valley Union Elementary School District (under common administration).

In the first, the Santa Rosa City Unified School District benefits from increased eligibility for supplemental and concentration grant funding an estimated $9.4M more in funding.

Scenario 2: Santa Rosa City Unified (SRCE, Bellevue, Roseland, Bennett, Wright, SRCH 63%)	Before Unification	After Unification
Enrollment with local charters	16,171	16,171
Total LCFF Funding State Aid/Taxes	$ 170,438,918	$ 179,861,478
	$ 170,455,089	$ 179,877,649
LCFF Revenue Change		$ 9,422,559
Analysis of the Revenue Gain (Loss):		
Concentration Grant	$ 5,853,062	
Supplemental Grant	3,569,498	
Total Gain	**9,422,560**	
% of Prior LCFF Funding	*5.53%*	
UPC % After Unification	73.36%	

On the Rincon Valley side, combining both the newly created high school district and the union elementary district, there would be a loss of Kenwood's basic aid excess, $1.7M, and a slight ($98K) loss of basic aid supplement for non-resident local charter pupils that would then become residents.

Scenario 2: Rincon Valley HSD (including SRCH 37%) and Rincon Valley UESD	Before Unification	After Unification
Enrollment with local charters	9,561	9,561
Total LCFF Funding State Aid/Taxes	$ 60,270,860	$ 60,258,029
Kenwood Basic Aid Funding	1,700,976	-
Basic Aid Supplement	9,650,456	9,551,905
	$ 71,622,292	$ 69,809,934
LCFF Revenue Change		$ (1,812,358)
Analysis of the Revenue Gain (Loss):		
Supplemental grant	(12,831)	
Kenwood Basic Aid Funding	(1,700,976)	
Basic Aid Supplement	$ (98,551)	
Total Loss	**(1,812,358)**	
% of Prior LCFF Funding	*-2.53%*	
UPC % After Unification	35.30%	

Local Control Funding Formula (LCFF), Cont'd

Scenario 2, Cont'd

A **Scenario 2 alternative** could be to unify Rincon Valley with 37% of SRCHSD's ADA, while Kenwood, Mark West, and Piner-Olivet opt to remain independent under Thompson law provisions.

The three districts of Kenwood, Mark West, and Piner-Olivet opt out of this alternative to preserve basic aid funding. Rincon Valley Unified would not be eligible for basic aid supplemental funding.

Scenario 2 Alternative: Rincon Valley Unified School District (including SRCH 37%)	Before Unification	After Unification
Enrollment with local charters	6,932	6,932
Total LCFF Funding State Aid/Taxes	$ 53,977,813	$ 53,977,813
Basic Aid Supplement	4,052,731	-
	$ 58,037,476	$ 53,984,745
LCFF Revenue Change		$ (4,052,731)
Analysis of the Revenue Gain (Loss):		
Basic Aid Supplement	$ (4,052,731)	
Total Loss	**(4,052,731)**	
% of Prior LCFF Funding	*-6.98%*	
UPC % After Unification	40.48%	

Local Control Funding Formula (LCFF), Cont'd

Scenario 3

Scenario 3 does not result in unified school districts. Instead, the elementary school districts merge to form two larger elementary districts that financially benefit from economies of scale. In Santa Rosa's case, the school districts of Bellevue, Roseland, Bennett Valley, and Wright would have a common administration with SRC as organized today. A Rincon, Piner-Olivet, Kenwood, and Mark West elementary district would feed to SRCHSD schools as it does today. The district could also be consolidated administratively with SRC for the most cost efficiencies.

The potential revenue loss of $1.4M in **Scenario 3** could be eliminated if Bennett Valley opted out of the merger and remained independent. Another possibility would be to merge Bennett Valley with Rincon Valley, but there would be some loss of basic aid supplemental funding to the Rincon Valley district.

Scenario 3: Santa Rosa City Elementary School District	Before Unification	After Unification
Enrollment with local charters	9,623	9,623
Total LCFF Funding State Aid/Taxes	$ 91,331,778	$ 89,932,474
	$ 91,341,401	$ 89,942,097
LCFF Revenue Change		$ (1,399,304)
Analysis of the Revenue Gain (Loss):		
Concentration Grant	$ (1,426,926)	
Supplemental Grant	27,622	
Total Loss	**(1,399,304)**	
% of Prior LCFF Funding	*-1.53%*	
UPC % After Unification	73.35%	
Scenario 3: Rincon Valley Union Elementary Schoool District	Before Unification	After Unification
Enrollment with local charters	5,591	5,591
Total LCFF Funding State Aid/Taxes	$ 21,393,163	$ 21,380,332
Kenwood Basic Aid Funding	$ 1,700,976	$ -
Basic Aid Supplement	9,650,456	9,551,905
	$ 32,750,186	$ 30,937,828
LCFF Revenue Change		$ (1,812,358)
Analysis of the Revenue Net Loss:		
Supplemental Grant	(12,831)	
Basic Aid Supplement	(98,551)	
Kenwood Basic Aid Funding	(1,700,976)	
Total Loss	**(1,812,358)**	
% of Prior LCFF Funding	*-5.53%*	
UPC % After Merger	35.31%	

Local Control Funding Formula (LCFF), Cont'd

The LCFF funding formula components and the impact of unification or other reorganization action are discussed in the following:

- **No Eligibility for Necessary Small School (NSS) Funding:** LCCF would provide an NSS allowance instead of the base grants for small schools to operate at a minimum base level budget. Kenwood is the smallest school with about 56 ADA, excluding school of choice ADA. But the school doesn't qualify for NSS funding due to its current basic aid status and, absent that, the relative proximity to schools in the Rincon Valley area (under 7 miles).

- **Supplemental grants** equal 20 percent of the adjusted base grants multiplied by the LEA's unduplicated percentage of English learners, income eligible for free or reduced-price meals, and foster youth pupils. All the Santa Rosa districts receive supplemental grant funds, totaling a little over $20M annually. These funds would continue unabated after any reorganization.

- **Concentration grants** equal 65 percent of the adjusted base grants multiplied by an LEA's percentage of unduplicated pupils above 55 percent. Bellevue, Roseland, SRCESD, and Wright receive about $10M annually. Maintaining most of these revenues post reorganization is an important consideration for financial viability.

- Two add-ons are provided based on the amount school districts received in 2012–13 for the **Targeted Instructional Improvement Block Grant and Home-to-School Transportation** programs. These add-ons would continue to be funded post-reorganization.

- **Education Revenue Augmentation Funds (ERAF)** funding would not impact the finances in a reorganization because the State would be obligated to backfill the loss if the new District was no longer eligible.

- CW confirmed with the CDE that the **economic target recovery funding**, a total of $1.5M in 2021-22, would be retained post-unification. An Economic Recovery Target (ERT) entitlement is based on the difference between the amount a school district or charter school would have received under the old funding system and the estimated amount for LCFF funding in 2021-22, based on specific criteria. Only school districts and charter schools at, or below, the 90th percentile of per-pupil funding rates of school districts under the old funding system as determined at the 2013–14 P-2 certification were eligible for ERT payments.

- Funding from **community redevelopment** (Health and Safety Code Section 33000 et seq) would presumably be apportioned to the newly reorganized school district for the same project areas and have no fiscal impact.

- It is assumed in this study that all eligible districts met the conditions for receiving the kindergarten through **grade three (K–3) grade span adjustment** (GSA), which is equal to 10.4 percent of the K–3 base grant.

- **Basic aid (community) funding** is a significant element of LCFF funding that affects the financial feasibility of school district unification in Santa Rosa. Because of the significance, the study focused on the issue in the following pages.

Local Control Funding Formula (LCFF), Cont'd

Basic Aid (Community) Funding is a significant source of added revenues for four of the ten districts, Kenwood, Mark West, Piner-Olivet, and Rincon Valley. One district, Kenwood, is a "true basic aid" district in which tax revenues exceed state aid (about $1.7M annually) without regard to serving non-resident charter pupils. The other districts receive basic aid supplemental funding by serving a high percentage of non-resident pupils, about $9.6M annually.

The School District Basic Aid Supplement program provides supplemental funding to basic aid school districts for the loss of local in-lieu property taxes due to charter schools that provide instruction to nonresident (out-of-district) students.

The Basic Aid Supplement (BAS) and Charter Schools

A complete analysis of whether to keep or close the dependent charter schools would need to be made for any scenario that results in BAS funding. This study assumes the new District would reauthorize the existing charters.

Some BAS funding would be lost in a merger when non-resident pupils attending a district included in the merger become residents. CW analyzed the impact using 2021-22 ADA and found that with 136 pupils becoming residents, there would be a $1.8M loss in BAS, except Kenwood merging adds property tax revenues and offsets the loss to only $98K.

Scenario 3B: Merger Mark West, Rincon Valley, Piner-Olivet and Kenwood	Non-Resident ADA Before	
Mark West		
Piner-Olivet	91	
Kenwood	2	
Rincon Valley	13	
Piner-Olivet		
Mark West	22	
Kenwood	-	
Rincon Valley	8	
Rincon Valley		
Mark West	4	
Piner-Olivet	25	
Kenwood	-	
Totals	164	
Total Charter School ADA	**Before**	**After**
Non-resident	1,728	1,564
Resident	1,686	1,850
Total Local Charter ADA	3,414	3,414

Local Control Funding Formula (LCFF), Cont'd

Unduplicated Pupil Counts (UPC) Funding Eligibility

With the State's LCFF funding formula, CW analyzed other components by recomputing the UPC. The UPC also funds specific federal programs. The State's LCFF calculation, Federal Title 1, Title III, and State and National School Lunch programs use low-income pupil counts to determine eligibility. And other less significant programs also use the UPC counts. A recap of the UPC percentages and LCFF supplemental/concentration funds is shown below:

School District	CALPADS 3-Year Average Unduplicated Pupil Count	LCFF Supplemental Funding 2021-22	LCFF Concentration Grant Funding
Bellevue Elementary School District	89.83%	$ 2,372,204	$ 2,989,285
Bennett Valley Elementary School District	27.19%	456,273	-
Kenwood Elementary School District	21.74%	21,071	-
Mark West Elementary School District	48.39%	354,105	-
Piner-Olivet Elementary School District	53.99%	254,410	-
Rincon Valley Elementary School District	28.25%	631,084	-
Roseland Elementary School District	93.72%	2,219,833	2,980,621
Santa Rosa City Elementary Schools	69.47%	4,067,885	2,753,741
Santa Rosa High School District	44.33%	8,585,462	-
Wright Elementary School District	76.82%	1,278,098	1,179,852
Totals		$ 20,240,425	$ 9,903,499

Comparing the Scenarios above to the existing allocations, **LCFF supplemental grant funding would continue** in each since the eligibility threshold is 20%. There would be no material difference in supplemental funding.

Concentration grant funding is negatively affected in Scenario 1 but positively affected in Scenario 2.

- **Scenario 1: A loss of all concentration grant funds, $9.9M**. The UPC drops to 54.84%, below the eligibility threshold of 55%.

- **Scenario 2:** A revenue gain due to greater UPC concentration grant revenue. Currently, SRCHSD doesn't receive concentration grant funds. If the high school district is split, the UPC counts corresponding to the elementary school districts' levels of low-income/ELL populations will increase. The funding could increase as much as $9.4M, and if Bennett Valley remained independent, the **funding could increase to $14.2M over current levels**. This would be a 5.5% - 9.4% increase in LCFF funding.

- **Scenario 3:** A loss of about $1.4M in concentration grant funds as the high school would not be eligible (unlike Scenario 2), but if Bennett Valley were to opt out of the merger (with the lower UPC), there would be no revenue loss.

Local Control Funding Formula (LCFF), Cont'd

Unduplicated Pupil Counts (UPC) Funding Eligibility, Cont'd

The funding eligibility for Title 1 requires a district have a minimum of 10 eligible pupils and 2% of its school-age population. Beyond the basic allocation, there are additional concentration and targeted grant funds. The threshold for concentration funding is 15% of the school-age population. Except for Kenwood, all districts meet those criteria currently. Under a unification scenario, the new District would receive a least as much proportionate to the UPC.

State and National School Lunch programs pay for free and reduced meals based on strict UPCs. And under the new State Universal Meals program, the state pays for meals provided to all pupils that request a meal, minus the reimbursed federal and state funds. There would be no significant change in funding due to consolidation.

Other LCFF Computations

On the revenue side, the LCFF funding will change when you compare the total funding of <u>all school districts before reorganization</u> against the newly recalculated LCFF funding after unification. You cannot just add up revenues before and after, as there are unique and complex formulas within LCFF. For example,

- When the state changed to a new funding formula in 2013-14, there was a hold harmless feature based on the 2012-13 funding base unique to each District. This base for a hypothetical unified district would be recomputed using a weighted average calculation. The CDE has provided CW with a template used to recalculate the base in each Scenario. EPA and minimum state guarantee use the weighted average in the funding determination.

- Supplemental and concentration grant funds are based on a weighted average of Unduplicated Pupil Counts (UPC).

- Determination of basic aid status is computed by comparing new levels of state aid against local revenue sources.

- Charter schools make the computations more complex as taxes must be shared through an in-lieu payment to the charter, which has its LCFF formula. And nonresident charter ADA earns reimbursement of in-lieu payments in the form of the basic aid supplement.

Federal, Other State, and Local Revenues

No significant funding changes outside the LCFF funding formula are expected due to any consolidation scenario. Adding the revenue from the participating districts would provide a good indicator of the funding levels post-reorganization.

CW also considered the following:

- Any CARES Act funds (e.g., ESSER) would be spent or returned before any effective date of a reorganization.

- Lottery revenues are strictly ADA-based and would continue post any consolidation.

- Special education is funded by the SELPA on an ADA basis. Local SELPA allocations factors are then applied. Consolidation should not impact those allocations materially.

- Mandated cost reimbursement is based on allowable services provided with no effect on eligibility due to consolidation.

- If a district were to have a parcel tax, a reauthorization would be needed.

- Local interest is a function of cash on hand at the County office. All cash would be consolidated within accounts for any new district(s).

- Other local sources of income from leases, contracted services, or facilities would be renegotiated but not necessarily discontinued.

Cost Savings Analysis

Financial feasibility depends on finding cost savings to make up for anticipated funding shortfalls (except in Scenario 2, which is projected to have surplus revenues). Cost savings will come from consolidating resources, eliminating duplicative positions, and efficiencies of scale. Short-term vs. long-term cost savings potential should be taken into consideration. Careful budget management would be recommended in the years leading up to and into the first several years of unification until long-term cost savings measures can be executed.

Also, consider that initially, some costs might go up, such as negotiated salaries and benefits, while others might go down, such as administration costs. Long-term, there might be more cost-saving potential through major efforts such as reducing protected staffing positions through layoff, attrition, early retirement incentives, and possible closure and consolidation of school sites.

A Note on Methodology

For this study, the estimates of cost savings are based on a range of potential savings by looking at comparative school districts of similar enrollment size and those with similar UPC percentages.

The study objective is to determine whether there are areas in which costs could be saved and then compare the savings to each Scenario's estimated revenue changes to determine the net positive fiscal gain. Actual cost savings would be realized through governing board decisions in the newly reorganized school district based on educational and operational priorities. This study focuses on the potential for cost savings based on similar district expenditure levels.

CW compared costs from several perspectives:

- **Cost of Administration:** The most obvious area where cost savings might be accomplished is administration. There are essential services, whether serving a small number of pupils or a large district, that must be provided. Consolidation brings opportunities for economies of scale.

- **Current Expense of Education:** The current expense of education computation must be calculated annually for every District under state law. It measures the cost of direct educational services to students per ADA. The expenditures include the General Fund less expenses related to food services and facilities acquisition and construction. CW compared the combined current expense of education for each Scenario to the comparative school districts to determine potential cost savings on a macro scale.

- **Cost by Major Function Code (Activity):** The function field represents a general operational area in a school district and describes the activities or services performed to accomplish a set of objectives or goals. Examples include instruction, general administration, and plant services.

Cost Savings Analysis, Cont'd

A Note on Methodology, Cont'd

- **Cost by Major Object Code (Natural Expense Classification):** The object field classifies expenditures according to the types of items purchased or services obtained. Examples include certificated and classified salaries and benefits, books and supplies, operating expenses, and capital outlay costs.

- **Comparing the Salary Schedules and Full-time Equivalent (FTEs) Employees:** CW used the J-90 and classified salaries schedules to compare personnel costs between the districts.

Cost of Administration

As shown in the table below, there is a wide range of per-pupil spending on administration costs. Administration costs include board, superintendent, business services, human resources, purchasing and warehouse, data processing, planning, and research. Small districts like Kenwood spent $3,740 per pupil due to their small size. And larger consolidated Santa Rosa City spends $998 per pupil.

By totaling up the administration costs in the Santa Rosa area districts (**Scenario 1**) and comparing the cost to the average of 26,000 – 28,000 unified school districts (Chino Valley, Desert Sands, San Jose, Visalia, and Glendale), the Santa Rosa City Schools are spending $9.2M more in administration or $414 more per pupil.

Comparison of General Administration Costs (2020-21 SACS data)		
School Districts	**Dollars**	**Per Pupil**
Santa Rosa (all districts)	*$ 27,580,237*	*$ 1,085*
Santa Rosa City Schools	$ 13,388,807	$ 998
Mark West Elementary School District	$ 1,231,218	$ 989
Piner-Olivet Elementary School District	$ 1,175,396	$ 1,291
Rincon Valley Elementary School District	$ 2,341,092	$ 838
Kenwood Elementary School District	$ 507,098	$ 3,740
Bennett Valley Elementary School District	$ 965,920	$ 996
Bellevue Elementary School District	$ 3,819,023	$ 2,511
Roseland Elementary School District	$ 2,305,200	$ 1,693
Wright Elementary School District	$ 1,846,483	$ 1,336
Average of Comparison Districts with 27,000 ADA	*$ 18,350,394*	*$ 671*
Difference of Santa Rosa All Districts Total to Average	*$ 9,229,843*	*$ 414*

Cost Savings Analysis, Cont'd

With its consolidated administration, even Santa Rosa City Schools spent more on administration per pupil than other common administration school districts (plus Santa Barbara Unified, a Thompson-style unification). An estimated $3M more.

Comparison of Adminstration Costs - Santa Rosa City Schools Only					
Comparative School Districts*	**Board and Supt.**	**Business, HR and Purchasing, Warehouse Adminstration**	**Data Processing**	**Internal Transfers**	**Total**
Santa Rosa City Schools	$ 138	$ 847	$ 67	$ (54)	$ 998
Modesto City Schools	$ 54	$ 474	$ 381	$ (44)	$ 865
Santa Barbara Unified	$ 83	$ 555	$ 219	$ (31)	$ 826
Petaluma City Schools	$ 133	$ 449	$ 113	$ (17)	$ 678
Santa Cruz City Schools	$ 132	$ 500	$ 213	$ 5	$ 850
			Comparative Average per Pupil		$ 805
			Expenditures Over the Average		$ 193
		Estimate Dollars Over Comparative Average (15,251 ADA)			**$2,947,256**
*Either common administration or Thomson-style unifications					

Cost Savings Analysis, Cont'd

Current Expense of Education Comparison

Note: This comparison is less precise than the Comparison of Function and Object Code costs (which follows and is more detailed by cost type). But the analysis provides a starting point to determine whether there might be cost savings through reorganization.

Scenario 1 (complete unification): The current expense of education per ADA area-wide in Santa Rosa is $14,795 (based on 2020-21 amounts), which is $949 per ADA higher than the average unified school district statewide and $1,760 higher than 17 averaged comparative size unified school districts. This equates to potential cost savings between $22.5M and $42M.

Scenario 1 All Santa Rosa Districts Unified: Per ADA Expense of Education Comparison			
	ADA 2020-21	**Current Expense of Education**	**Per ADA**
Statewide Average Unified School District			**$ 13,846**
Statewide Average High School District			$ 14,114
Statewide Average Elementary School District			$ 13,216
All Santa Rosa Districts (includes local charter ADA)			
Bellevue Elementary School District	1,521	$ 23,726,135	$ 15,599
Bennett Valley Elementary School District	970	$ 10,576,411	$ 10,904
Kenwood Elementary School District	136	$ 2,989,177	$ 21,979
Mark West Elementary School District	1,245	$ 16,561,065	$ 13,302
Piner-Olivet Elementary School District	911	$ 13,538,993	$ 14,862
Rincon Valley Elementary School District	2,794	$ 34,127,047	$ 12,214
Roseland Elementary School District	1,370	$ 33,890,757	$ 24,738
Santa Rosa City Schools	13,409	$ 196,424,004	$ 14,649
Wright Elementary School District	1,383	$ 19,394,415	$ 14,023
	23,739	**$ 351,228,004**	**$ 14,795**
Comparative School Districts: Unified 22,000-27,000 ADA			
17 unified districts, averaged	**24,041**	**313,374,435**	**$ 13,035**
Cost Savings if Santa Rosa Area-Wide was at the statewide average of unified school districts		**$ 22,537,810**	
Cost Savings if Santa Rosa Area-Wide was at the comparative average unified school district		**$ 41,790,139**	

Source: Ed Data Partnership, excludes food service and facilities costs and includes local charter ADA

Cost Savings Analysis, Cont'd

Current Expense of Education Comparison Cont'd

Scenario 1 Alternative, a Santa Rosa City Elementary and High School District Unified (Thompson-style), shows some potential cost savings when compared to 10 unified school districts of a similar size. The data indicates $16.9M in potential savings compared to the statewide average unified school district and $5.4M compared to similar districts. But later in this report, when costs are analyzed by function and object, there appears to be little room for additional cost savings.

Scenario 1B SRCESD and SRCHSD Unified: Per ADA Current Expense of Education			
	ADA 2020-21	**Current Expense of Education**	**Per ADA**
Statewide Average Unified School District			*$ 13,386*
Statewide Average High School District			$ 13,674
Statewide Average Elementary School District			$ 12,648
Scenario 1B SRCESD and SRCHSD Unified	13,409	196,424,004	14,649
Comparative Districts - Unified 13,000 - 15,000ADA			
10 unified districts, averaged	**13,855**	**191,016,128**	$ 13,787
Cost Savings if Santa Rosa Area-Wide was at the statewide average unified school district		$ 16,931,130	
Cost Savings if Santa Rosa Area-Wide was at the comparative average unified school district		$ 5,407,876	
Source: Ed Data Partnership, excludes food service and facilities costs			

Cost Savings Analysis, Cont'd

Current Expense of Education Comparison Cont'd

For **Scenario 2**, a Santa Rosa City Unified that includes SRCHSD, SRCESD, Bellevue, Bennett Valley, Roseland, and Wright, the potential cost savings based on the average unified school district cost per ADA would be about $8M and $10M, as shown below. CW averaged 29 similar-sized unified school districts.

Scenario 2A SRCUSD with Bellevue, Roseland, Bennett Valley and Wright: Per ADA Expense of Education Comparison			
	ADA 2020-21	Current Expense of Education	Per ADA
Statewide Average Unified School District			*$ 13,386*
Statewide Average High School District			$ 13,674
Statewide Average Elementary School District			$ 12,648
Scenario 2A: Santa Rosa Unified with Four Districts			
Bellevue Elementary School District	1,521	$ 23,726,135	$ 15,599
Bennett Valley Elementary School District	970	$ 10,576,411	$ 10,904
Roseland Elementary School District	1,362	$ 33,890,757	$ 24,883
Santa Rosa City Schools	9,744	123,136,637	$ 12,637
Wright Elementary School District	1,383	$ 19,394,415	$ 14,023
Total	**14,980**	**$ 210,724,355**	**$ 14,067**
Comparative Districts - Unified 13,500 - 16,500 ADA			
29 unified districts, averaged	**14,658**	**198,102,870**	**$ 13,515**
Cost Savings if Santa Rosa Area-Wide was at the statewide average unified school district		$ 10,203,681	
Cost Savings if Santa Rosa Area-Wide was at the comparative average unified school district		$ 8,271,277	
Source: Ed Data Partnership, excludes food service and facilities costs			

Cost Savings Analysis, Cont'd

Current Expense of Education Comparison Cont'd

And for **Scenario 2**, which includes Rincon Valley High School District and Rincon Valley Union Elementary School District, under a common administration, there would be about $11.9M in possible savings when compared to the statewide average and $16.4M when compared to an average of 16 districts of similar size, as shown below:

Scenario 2: Rincon Valley High and Union Elementary School Districts - Common Administration				
	ADA 2020-21	**Current Expense of Education**		**Per ADA**
Statewide Average Unified School District			*$*	*13,386*
Statewide Average High School District			$	13,674
Statewide Average Elementary School District			$	12,648
Scenario 2: Rincon Valley Common Administration				
Rincon Valley Union Elementary School District (K-8)	6,591			
Rincon Valley High School District ((9-12)	2,970			
Total - Santa Rosa Area-Wide	**9,561**	$ 139,893,163	$	14,632
Comparative Districts - 9,000 -10,500 ADA				
16 unified districts, averaged	**9,441**	**121,969,571**	$	12,919
Cost Savings if Santa Rosa Area-Wide was at the statewide average unified school district		$ 11,909,617		
Cost Savings if Santa Rosa Area-Wide was at the comparative average unified school district		$ 16,374,604		
Source: Ed Data Partnership, excludes food service and facilities costs				

Cost Savings Analysis, Cont'd

Current Expense of Education Comparison Cont'd

For **Scenario 3**, unionization of SRCESD, Bellevue, Roseland, Bennett Valley, and Wright. The table below shows a range of $5M - $8.5M in potential cost savings, comparing 11 elementary districts of a similar size.

Scenario 3: Unionization of SRCE, Bellevue, Roseland, Bennett Valley and Wright			
	ADA 2020-21	**Current Expense of Education**	**Per ADA**
Statewide Average Unified School District			$ 13,386
Statewide Average High School District			$ 13,674
Statewide Average Elementary School District			**$ 12,648**
Scenario 3A: Unionization of Basic Aid Districts			
Bellevue Elementary School District	1,521	$ 23,726,135	$ 15,599
Bennett Valley Elementary School District	970	$ 10,576,411	$ 10,904
Roseland Elementary School District	1,362	$ 33,890,757	$ 24,883
Santa Rosa City Schools	5,054	51,070,241	$ 10,105
Wright Elementary School District	1,383	$ 19,394,415	$ 14,023
Total - Santa Rosa Area-Wide	**10,290**	**$ 138,657,959**	**$ 13,475**
Comparative Districts - Elementary 9,000 - 11,000 ADA			
11 elementary districts, averaged	**9,934**	**129,022,792**	**$ 12,988**
Cost Savings if Santa Rosa Area-Wide was at statewide average elem school district		**$ 8,510,039**	
Cost Savings if Santa Rosa Area-Wide was at the comparative average elem school district		**$ 5,011,439**	
Source: Ed Data Partnership, excludes food service and facilities costs			

Cost Savings Analysis, Cont'd

Current Expense of Education Comparison Cont'd

Scenario 3 unionizes Rincon Valley, Piner-Olivet, Kenwood, and Mark West, which might save $2.9M compared to the statewide average elementary school district and $5.7M compared to the average of 8 elementary school districts in similar districts.

Scenario 3: Unionization of Rincon Valley, Piner-Olivet, Kenwood and Mark West				
	ADA 2020-21	**Current Expense of Education**	**Per ADA**	
Statewide Average Unified School District			$	13,386
Statewide Average High School District			$	13,674
Statewide Average Elementary School District			**$**	**12,648**
Scenario 3B: Unionization of Rincon, Piner, Kenwood and Mark West				
Kenwood Elementary School District	136	$ 2,989,177	$	21,979
Mark West Elementary School District	1,245	$ 16,561,065	$	13,302
Piner-Olivet Elementary School District	911	$ 13,538,993	$	14,862
Rincon Valley Elementary School District	2,794	$ 34,127,047	$	12,214
Total - Santa Rosa Area-Wide	**5,086**	**$ 67,216,282**	**$**	**13,216**
Comparative Districts - Elementary 5,000 - 6,000 ADA				
8 elementary districts, averaged	**5,314**	**64,297,716**	**$**	**12,099**
Cost Savings if Santa Rosa Area-Wide was at statewide average elem school district		**$ 2,888,554**		
Cost Savings if Santa Rosa Area-Wide was at the comparative average elem school district		**$ 5,680,768**		
Source: Ed Data Partnership, excludes food service and facilities costs				

Cost Savings Analysis, Cont'd

Current Expense of Education Comparison Cont'd

Comparing the potential cost savings, using the current expense of education measurement, to the revenue changes in the table below shows that:

- **Scenario 1** (complete unification) could, at a minimum, break even from the revenue loss compared to the cost of education for districts of a similar size and the statewide average cost of education for an average unified school district. At a maximum, a net fiscal positive of $20.4M might be achieved.

    - **Scenario 1 Alternative,** a unification of only Santa Rosa City Schools, might yield added cost savings based on the comparisons, but further evaluation at the function cost level shows less opportunity.

- **Scenario 2** (two school district areas) would be fiscally advantageous for Santa Rosa Unified and the Rincon Valley area (a common administration of the high school and union elementary school districts).

- **Scenario 3** would be financially advantageous for a merged Santa Rosa area and Rincon Valley area.

Comparing the Revenue Changes in Each Scenario to the Potential Cost Savings						
	Scenario 1 - Unify Santa Rosa Area		Scenario 2 - Split SRCHSD into Two District Areas		Scenario 3 - Two Unionized Elementary Districts, One SRHSD	
Comparing Cost of Education	**Santa Rosa Unified**	**Alternative: SRCESD and SRCHSD Unified - All Others Opt Out**	**Santa Rosa Unified (SRCESD, Roseland, Bellevue, Bennett Valley, Wright and SRCHSD Split on Proportionate ADA)**	**Rincon Valley HSD and Rincon Valley Union ESD - Common Administration**	**SRCESD, Roseland, Bellevue, Bennett Valley, and Wright**	**Rincon Valley, Kenwood, Mark West and Piner-Olivet**
Estimate Revenue Gain (Loss) Through Consolidation	$ (21,303,186)	$ (2,716,629)	$ 9,422,560	$ (1,812,358)	$ (1,399,304)	$ (1,812,358)
Cost of Education Comparison Range of Potential Savings						
To Statewide Average	22,537,810	16,931,130	10,203,681	11,909,617	8,510,039	2,888,554
To Comparative District Average	41,790,139	5,407,876	8,271,277	16,374,604	5,011,439	5,680,768
Net Positive (Shortfall) Change When Compared to Statewide Averages	$ 1,234,624	$ 14,214,501	$ 19,626,241	$ 10,097,259	$ 7,110,735	$ 1,076,196
Net Positive (Shortfall) Change When Compared to Comparative Districts	$ 20,486,953	$ 2,691,248	$ 17,693,837	$ 14,562,246	$ 3,612,135	$ 3,868,410

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 1

For scenario 1 (complete unification, *Santa Rosa City Unified School District*), CW selected the best comparative school districts by looking at pupil size and demographics. The districts selected were:

District Name	Census Day Enrollment (District)	Unduplicated Count
Santa Rosa Schools - All Unified	*25,658*	*54.8%*
Chino Valley Unified (San Bernardino)	27,333	46.8%
Glendale Unified (Los Angeles)	24,924	52.2%
Orange Unified (Orange)	26,943	48.6%
Placentia-Yorba Linda Unified (Orange)	24,296	44.9%
Saddleback Valley Unified (Orange)	24,954	35.5%
Torrance Unified (Los Angeles)	22,490	36.5%
Tustin Unified (Orange)	22,761	42.6%
Average of Comparative Districts	*24,814*	*43.9%*

Major Function Activities

Comparing an SRCUSD (all districts combined) to 7 unified school districts of comparable size and UPC shows about $44.8M more spent by the combined Santa Rosa districts than the average of the comparative districts.

District Name	Expenditures By Function Code (Activity)							
	Gen Fund Exp by Activity - 1000-1999 Instruction Per Student # (District)	Gen Fund Exp by Activity - 2000-2999 Instruc-related Svcs Per Student # (District)	Gen Fund Exp by Activity - 3000-3999 Pupil Services Per Student # (District)	Gen Fund Exp by Activity - 4000-4999 Ancillary Services Per Student # (District)	Gen Fund Exp by Activity - 5000-5999 Community Services Per Student # (District)	Gen Fund Exp by Activity - 6000-6999 Enterprise Per Student # (District)	Gen Fund Exp by Activity - 7000-7999 General Administration Per Student # (District)	Gen Fund Exp by Activity - 8000-8999 Plant Services Per Student # (District)
Santa Rosa Schools - All Unified	$ 8,675	$ 1,687	$ 1,441	$ 66	$ 88	$ -	$ 1,075	$ 1,077
Chino Valley Unified (San Bernardino)	$ 7,390	$ 1,399	$ 1,012	$ 110	$ 32	$ 45	$ 496	$ 1,248
Glendale Unified (Los Angeles)	$ 9,151	$ 2,015	$ 698	$ 66	$ 16	$ -	$ 756	$ 1,297
Orange Unified (Orange)	$ 7,807	$ 2,252	$ 1,378	$ 83	$ 6	$ -	$ 564	$ 1,339
Placentia-Yorba Linda Unified (Orange)	$ 7,915	$ 1,439	$ 945	$ 3	$ -	$ 56	$ 595	$ 1,290
Saddleback Valley Unified (Orange)	$ 8,230	$ 1,311	$ 876	$ 84	$ 18	$ -	$ 611	$ 999
Torrance Unified (Los Angeles)	$ 7,353	$ 1,191	$ 969	$ 109	$ -	$ -	$ 598	$ 932
Tustin Unified (Orange)	$ 7,930	$ 1,183	$ 1,085	$ 44	$ 8	$ -	$ 569	$ 1,033
Average of Comparative Districts	*$ 7,968*	*$ 1,541*	*$ 995*	*$ 71*	*$ 11*	*$ 14*	*$ 598*	*$ 1,163*
Dollar Difference from Average Per Pupil	$ 707	$ 146	$ 446	$ (5)	$ 77	$ (14)	$ 477	$ (86)
Total Dollar Difference from Comparative Districts	$ 18,140,206	$ 3,735,072	$ 11,450,799	$ (135,621)	$ 1,964,670	$ (370,208)	$ 12,227,870	$ (2,195,592)
							Total	$ 44,817,195

In comparing selected functions, considerable savings might be realized through unification in instruction, instructional services, pupil services, and community services. Less was spent in plant services by SRCUSD.

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 1, Cont'd

Salary and benefits expenses are analyzed in more detail later in the report. As noted on page 37, administrative costs are higher with nine separate administrations instead of one larger organization. It should be noted that across the Santa Rosa area:

- Board costs are $773,628 annually, with other large, unified districts spending around $200K on average.

- Superintendent costs are $4M annually, with other large, unified districts spending $650K annually on average.

- Other General Administration is $14M annually, with other large, unified districts spending $7M annually on average.

Natural Expense Classification (Object Code)

By object code, the Santa Rosa Schools spend in total $13M more in certificated salaries, $2.2M less in classified salaries, slightly less in benefits, $2.8M less in books and supplies, and $37M more in services and other operating expense due to sub-agreements for services (which if performed by district staff would be coded as salaries and benefits).

District Name	Expenditures By Object Code (Excludes Capital Outlay)				
	Gen Fund Exp by Object Code - 1000-1999 Certificated Salaries Per Student (District)	Gen Fund Exp by Object Code - 2000-2999 Classified Salaries Per Student (District)	Gen Fund Exp by Object Code - 3000-3999 Employee Benefits Per Student (District)	Gen Fund Exp by Object Code - 4000-4999 Books & Supplies Per Student (District)	Gen Fund Exp by Object Code - 5000-5999 Services & Other Op Exp Per Student (District)
Santa Rosa Schools - All Unified	$ 5,864	$ 1,809	$ 3,175	$ 646	$ 2,535
Chino Valley Unified (San Bernardino)	$ 5,416	$ 1,611	$ 2,739	$ 749	$ 1,035
Glendale Unified (Los Angeles)	$ 5,463	$ 1,876	$ 3,798	$ 1,324	$ 1,491
Orange Unified (Orange)	$ 5,499	$ 2,319	$ 3,425	$ 898	$ 1,156
Placentia-Yorba Linda Unified (Orange)	$ 5,435	$ 1,945	$ 3,299	$ 635	$ 832
Saddleback Valley Unified (Orange)	$ 5,341	$ 1,612	$ 3,516	$ 663	$ 983
Torrance Unified (Los Angeles)	$ 5,280	$ 2,014	$ 2,480	$ 343	$ 1,048
Tustin Unified (Orange)	$ 5,075	$ 1,898	$ 3,099	$ 668	$ 1,109
Average of Comparative Districts	$ 5,358	$ 1,896	$ 3,194	$ 754	$ 1,093
Dollar Difference from Average Per Pupil	$ 506	$ (87)	$ (19)	$ (108)	$ 1,442
Total Dollar Difference from Comparative Districts	$ 12,971,952	$ (2,243,242)	$ (480,171)	$ (2,778,395)	$ 36,987,840

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 1

Scenario 1 Alternative (Unification of SRCSD and SRHSD): CW selected the best comparative school districts by looking at pupil size and demographics. The districts selected were:

District Name	Census Day Enrollment (District)	Unduplicated Count
SRCUSD (SR Elem and HS)	*15,240*	*50.3%*
Alhambra Unified (Los Angeles)	15,747	65.3%
Beaumont Unified (Riverside)	14,896	59.3%
Burbank Unified (Los Angeles)	14,704	36.8%
Natomas Unified (Sacramento)	15,686	61.9%
Santa Barbara Unified (Santa Barbara)	14,205	55.1%
Santa Clara Unified (Santa Clara)	14,808	45.0%
Simi Valley Unified (Ventura)	15,951	37.9%
Tracy Joint Unified (San Joaquin)	15,577	59.8%
Ventura Unified (Ventura)	15,871	56.1%
Average of Comparative Districts	*15,272*	*53.0%*

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 1, Cont'd

Major Function Activities

Comparing an SRCUSD (SRCESD and SRCHSD) to 9 unified school districts of comparable size and UPC shows no potential savings since the current consolidated administration district **spends $9.4M less** in total and function categories except pupil services, ancillary and community services.

District Name	Expenditures By Function Code (Activity)							
	Gen Fund Exp by Activity - 1000-1999 Instruction Per Student # (District)	Gen Fund Exp by Activity - 2000-2999 Instruc-related Svcs Per Student # (District)	Gen Fund Exp by Activity - 3000-3999 Pupil Services Per Student # (District)	Exp by Activity - 4000-4999 Ancillary Services Per Student # (District)	Exp by Activity - 5000-5999 Community Services Per Student # (District)	Gen Fund Exp by Activity - 6000-6999 Enterprise Per Student # (District)	Gen Fund Exp by Activity - 7000-7999 General Administration Per Student # (District)	Gen Fund Exp by Activity - 8000-8999 Plant Services Per Student # (District)
SRCUSD (SR Elem and HS)	*7,908*	*1,718*	*1,356*	*99*	*88*	*-*	*879*	*995*
Alhambra Unified (Los Angeles)	$ 8,133	$ 1,824	$ 1,391	$ 44	$ 1	$ -	$ 944	$ 1,607
Beaumont Unified (Riverside)	$ 7,269	$ 1,429	$ 961	$ 69	$ 4	$ 1	$ 793	$ 1,104
Burbank Unified (Los Angeles)	$ 7,583	$ 1,528	$ 783	$ 55	$ -	$ -	$ 713	$ 974
Natomas Unified (Sacramento)	$ 9,023	$ 1,395	$ 956	$ 82	$ 8	$ -	$ 998	$ 1,115
Santa Barbara Unified (Santa Barbara)	$ 8,338	$ 2,012	$ 1,574	$ 105	$ 133	$ -	$ 826	$ 1,683
Santa Clara Unified (Santa Clara)	$ 12,693	$ 2,894	$ 1,384	$ -	$ 18	$ 11	$ 1,394	$ 1,900
Simi Valley Unified (Ventura)	$ 7,691	$ 1,330	$ 1,112	$ 129	$ 11	$ 3	$ 746	$ 1,312
Tracy Joint Unified (San Joaquin)	$ 7,001	$ 2,155	$ 1,111	$ 92	$ 8	$ -	$ 495	$ 1,173
Ventura Unified (Ventura)	$ 7,708	$ 1,474	$ 1,109	$ 62	$ 7	$ 96	$ 1,150	$ 1,187
Average of Comparative Districts	*8,382*	*1,782*	*1,153*	*71*	*21*	*12*	*895*	*1,339*
Dollar Difference from Average Per Pupil	$ (474)	$ (64)	$ 203	$ 28	$ 67	$ (12)	$ (16)	$ (344)
Total Dollar Difference from Comparative Districts	$ (7,225,453)	$ (980,440)	$ 3,086,947	$ 428,413	$ 1,019,387	$ (187,960)	$ (250,613)	$ (5,249,333)
							Total	$ (9,359,053)

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 1, Cont'd

Natural Expense Classification (Object Code)

By object code, the Santa Rosa Schools spend in total $4.4M less in certificated salaries, $9.1M less in classified salaries, $11M less in benefits, $4M less in books and supplies, and $18.3M more in services and other operating expense due to sub-agreements for services (which if performed by district staff would be coded as salaries and benefits).

District Name	Expenditures By Object Code (Excludes Capital Outlay)				
	Gen Fund Exp by Object Code - 1000-1999 Certificated Salaries Per Student (District)	Gen Fund Exp by Object Code - 2000-2999 Classified Salaries Per Student (District)	Gen Fund Exp by Object Code - 3000-3999 Employee Benefits Per Student (District)	Gen Fund Exp by Object Code - 4000-4999 Books & Supplies Per Student (District)	Gen Fund Exp by Object Code - 5000-5999 Services & Other Op Exp Per Student (District)
SRCUSD (SR Elem and HS)	*5,522*	*1,545*	*2,748*	*540*	*2,593*
Alhambra Unified (Los Angeles)	$ 5,627	$ 1,986	$ 4,404	$ 755	$ 1,148
Beaumont Unified (Riverside)	$ 4,927	$ 1,488	$ 2,954	$ 1,117	$ 1,134
Burbank Unified (Los Angeles)	$ 5,049	$ 1,970	$ 2,916	$ 434	$ 1,319
Natomas Unified (Sacramento)	$ 5,742	$ 2,267	$ 2,992	$ 684	$ 1,914
Santa Barbara Unified (Santa Barbara)	$ 6,229	$ 2,562	$ 3,326	$ 937	$ 1,507
Santa Clara Unified (Santa Clara)	$ 9,283	$ 3,543	$ 4,898	$ 818	$ 1,633
Simi Valley Unified (Ventura)	$ 5,294	$ 1,834	$ 3,513	$ 332	$ 1,179
Tracy Joint Unified (San Joaquin)	$ 5,030	$ 1,656	$ 2,721	$ 1,045	$ 1,527
Ventura Unified (Ventura)	$ 5,132	$ 2,009	$ 3,524	$ 968	$ 1,143
Average of Comparative Districts	*5,813*	*2,146*	*3,472*	*788*	*1,389*
Dollar Difference from Average Per Pupil	$ (291)	$ (601)	$ (724)	$ (248)	$ 1,204
Total Dollar Difference from Comparative Districts	$ (4,428,067)	$ (9,160,933)	$ (11,033,760)	$ (3,776,133)	$ 18,343,880

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2

For Scenario 2 (*Santa Rosa City Schools Unification* with Bennett Valley, Bellevue, Roseland, Wright. SRCESD, and 63% of SRCHSD), CW selected the best comparative school districts by looking at the pupil size and demographics. The districts selected were:

District Name	Census Day Enrollment (District)	UPC %
Santa Rosa City Unified (Bennett Valley, Bellevue, Roseland and Wright)	*16,171*	*73.4%*
Alhambra Unified (Los Angeles)	15,747	65.3%
Antioch Unified (Contra Costa)	16,599	65.3%
Apple Valley Unified (San Bernardino)	14,358	74.4%
Central Unified (Fresno)	15,742	69.6%
Natomas Unified (Sacramento)	15,686	61.9%
Norwalk-La Mirada Unified (Los Angeles)	16,209	72.3%
Pasadena Unified (Los Angeles)	16,761	68.6%
Vallejo City Unified (Solano)	13,252	76.7%
West Covina Unified (Los Angeles)	14,632	72.3%
Alvord (Riverside)	17,682	71.4%
Hacienda La Puente (LA)	17,329	74.7%
Average of Comparative Districts	***15,818***	***70.2%***

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2, Cont'd

Major Function Activities

Comparing an SRCUSD to 11 unified school districts of comparable size, UPC shows about $7.6M more spent by the combined Santa Rosa districts than the average of the comparative districts.

District Name	Expenditures By Function Code (Activity)							
	Gen Fund Exp by Activity - 1000-1999 Instruction Per Student # (District)	Gen Fund Exp by Activity - 2000-2999 Instruc-related Svcs Per Student # (District)	Gen Fund Exp by Activity - 3000-3999 Pupil Services Per Student # (District)	Gen Fund Exp by Activity - 4000-4999 Ancillary Services Per Student # (District)	Gen Fund Exp by Activity - 5000-5999 Community Services Per Student # (District)	Gen Fund Exp by Activity - 6000-6999 Enterprise Per Student # (District)	Gen Fund Exp by Activity - 7000-7999 General Administration Per Student # (District)	Gen Fund Exp by Activity - 8000-8999 Plant Services Per Student # (District)
Santa Rosa City Unified (Bennett Valley, Bellevue, Roseland and Wright)	**$ 8,896**	**$ 1,682**	**$ 1,477**	**$ 68**	**$ 116**	**$ -**	**$ 1,120**	**$ 1,073**
Alhambra Unified (Los Angeles)	$ 8,133	$ 1,824	$ 1,391	$ 44	$ 1	$ -	$ 944	$ 1,607
Antioch Unified (Contra Costa)	$ 8,867	$ 1,432	$ 914	$ 34	$ -	$ -	$ 687	$ 1,166
Apple Valley Unified (San Bernardino)	$ 8,457	$ 1,273	$ 855	$ -	$ -	$ -	$ 1,497	$ 1,566
Central Unified (Fresno)	$ 7,702	$ 1,371	$ 1,630	$ 145	$ 24	$ 35	$ 692	$ 1,526
Natomas Unified (Sacramento)	$ 9,023	$ 1,395	$ 956	$ 82	$ 8	$ -	$ 998	$ 1,115
Norwalk-La Mirada Unified (Los Angeles)	$ 8,631	$ 1,701	$ 1,324	$ 59	$ -	$ 20	$ 1,191	$ 1,371
Pasadena Unified (Los Angeles)	$ 8,630	$ 1,920	$ 1,444	$ 41	$ 2	$ 1	$ 1,099	$ 1,690
Vallejo City Unified (Solano)	$ 8,575	$ 1,358	$ 842	$ 46	$ -	$ -	$ 1,120	$ 1,604
West Covina Unified (Los Angeles)	$ 8,151	$ 2,122	$ 1,007	$ 106	$ 7	$ -	$ 1,745	$ 1,405
Alvord (Riverside)	$ 9,952	$ 1,632	$ 1,132	$ 126	$ -	$ 3	$ 625	$ 1,158
Hacienda La Puente (LA)	$ 9,014	$ 1,811	$ 1,017	$ 49	$ -	$ -	$ 936	$ 1,517
Average of Comparative Districts	*$ 8,649*	*$ 1,622*	*$ 1,137*	*$ 67*	*$ 4*	*$ 5*	*$ 1,049*	*$ 1,430*
Dollar Difference from Average Per Pupil	$ 248	$ 60	$ 339	$ 1	$ 112	$ (5)	$ 72	$ (357)
Total Dollar Difference from Comparative Districts	$ 4,002,532	$ 969,174	$ 5,483,325	$ 20,280	$ 1,817,443	$ (86,735)	$ 1,157,474	$ (5,769,670)
							Total	$ 7,593,823

In comparing selected functions, considerable savings might be realized through unification in instruction, instructional services, pupil services, community services, and administrative services. The district spends $5.8M less on plant service than the comparative districts.

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2, Cont'd

Natural Expense Classification (Object Code)

By object code, the *Santa Rosa City Unified Schools* spend in total $5M more in certificated salaries, $5.2M less in classified salaries, $7.8M less in benefits, $6.5M less in books and supplies, and $21.5M more in services and other operating expense due to sub-agreements for services (which if performed by district staff would be coded as salaries and benefits).

District Name	Expenditures By Object Code (Excludes Capital Outlay)				
	Gen Fund Exp by Object Code - 1000-1999 Certificated Salaries Per Student (District)	Gen Fund Exp by Object Code - 2000-2999 Classified Salaries Per Student (District)	Gen Fund Exp by Object Code - 3000-3999 Employee Benefits Per Student (District)	Gen Fund Exp by Object Code - 4000-4999 Books & Supplies Per Student (District)	Gen Fund Exp by Object Code - 5000-5999 Services & Other Op Exp Per Student (District)
Santa Rosa City Unified (Bennett Valley, Bellevue, Roseland and Wright)	*$ 5,944*	*$ 1,747*	*$ 3,150*	*$ 645*	*$ 2,870*
Alhambra Unified (Los Angeles)	$ 5,627	$ 1,986	$ 4,404	$ 755	$ 1,148
Antioch Unified (Contra Costa)	$ 5,425	$ 1,922	$ 3,322	$ 723	$ 1,720
Apple Valley Unified (San Bernardino)	$ 5,233	$ 2,069	$ 3,648	$ 1,340	$ 1,231
Central Unified (Fresno)	$ 5,322	$ 1,756	$ 3,435	$ 1,383	$ 1,098
Natomas Unified (Sacramento)	$ 5,742	$ 2,267	$ 2,992	$ 684	$ 1,914
Norwalk-La Mirada Unified (Los Angeles)	$ 5,843	$ 2,159	$ 3,766	$ 1,477	$ 999
Pasadena Unified (Los Angeles)	$ 5,212	$ 2,193	$ 4,090	$ 602	$ 2,740
Vallejo City Unified (Solano)	$ 4,834	$ 2,399	$ 3,271	$ 868	$ 2,168
West Covina Unified (Los Angeles)	$ 6,002	$ 2,308	$ 3,714	$ 1,115	$ 1,370
Alvord (Riverside)	$ 6,596	$ 1,673	$ 3,830	$ 1,187	$ 1,352
Hacienda La Puente (LA)	$ 6,192	$ 2,025	$ 3,465	$ 1,418	$ 1,238
Average of Comparative Districts	*$ 5,639*	*$ 2,069*	*$ 3,631*	*$ 1,050*	*$ 1,543*
Dollar Difference from Average Per Pupil	$ 305	$ (322)	$ (481)	$ (405)	$ 1,326
Total Dollar Difference from Comparative Districts	$ 4,933,085	$ (5,211,445)	$ (7,775,447)	$ (6,553,218)	$ 21,449,697

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2

For Scenario 2, a common administration of **Rincon Valley High School District and Rincon Valley Union Elementary School Distric**t, CW selected the best comparative school districts by looking at pupil size and demographics. The districts selected were:

District Name	Census Day Enrollment (District)	Unduplicated Pupil Count %
Common Administration: Rincon Valley, Piner-Olivet, Kenwood and Mark West Union ESD and Piner-Carrillo HSD	*9,437*	*35.3%*
Bonita Unified (Los Angeles)	9,669	36.1%
Castro Valley Unified (Alameda)	9,203	21.5%
Los Alamitos Unified (Orange)	9,317	16.4%
Redondo Beach Unified (Los Angeles)	9,803	15.0%
Woodland Joint Unified (Yolo)	9,658	52.4%
Yucaipa-Calimesa Joint Unified (San Bernardino)	9,689	48.5%
Average of Comparative Districts	*9,557*	*31.7%*

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2 Alternative, Cont'd

Major Function Activities

Comparing **Rincon Valley High School District** and **Rincon Valley Union Elementary School Distric**t to 8 unified (like common administration) school districts of comparable size and UPC shows about $14M more spent by the c than the average of the comparative districts.

Scenario 2 Rincon Valley	Expenditures By Function Code (Activity)						
District Name	Gen Fund Exp by Activity - 1000-1999 Instruction	Gen Fund Exp by Activity - 2000-2999 Instruc-	Gen Fund Exp by Activity - 3000-3999 Pupil	Gen Fund Exp by Activity - 4000-4999 Ancillary	Gen Fund Exp by Activity - 5000-5999 Community	Gen Fund Exp by Activity - 7000-7999 General	Gen Fund Exp by Activity - 8000-8999 Plant Services Per Student #
Common Administration: Rincon Valley, Piner-Olivet, Kenwood and Mark West Union ESD and Piner-Carrillo HSD	$ 8,343	$ 1,704	$ 1,388	$ 64	$ 40	$ 1,003	$ 1,091
Bonita Unified (Los Angeles)	$ 7,227	$ 1,773	$ 1,139	$ 130	$ 200	$ 860	$ 1,033
Castro Valley Unified (Alameda)	$ 7,418	$ 1,591	$ 991	$ 72	$ 22	$ 790	$ 1,279
Los Alamitos Unified (Orange)	$ 8,417	$ 1,093	$ 734	$ 27	$ 2	$ 805	$ 1,021
Redondo Beach Unified (Los Angeles)	$ 7,321	$ 945	$ 827	$ -	$ 35	$ 707	$ 811
Woodland Joint Unified (Yolo)	$ 7,751	$ 1,350	$ 1,309	$ 59	$ 10	$ 793	$ 1,285
Yucaipa-Calimesa Joint Unified (San Bernard	$ 8,466	$ 1,342	$ 1,409	$ 102	$ -	$ 746	$ 1,022
Average of Comparative Districts	$ 7,767	$ 1,349	$ 1,068	$ 65	$ 45	$ 784	$ 1,075
FTE Difference from Average	$ 576	$ 355	$ 319	$ (1)	$ (4)	$ 220	$ 16
Total Dollar Difference from Comparative Districts	$ 5,438,200	$ 3,353,587	$ 3,013,864	$ (13,330)	$ (42,269)	$ 2,072,845	$ 151,954
						Total	$ 13,974,850

In comparing selected functions, considerable savings might be realized through unification in instruction, instructional services, pupil services, and administrative services. The district spends about the same on plant service as the comparative districts.

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2, Cont'd

Natural Expense Classification (Object Code)

By object code, the Rincon Valley unified Scenario 2 spent in total $1.9M more in certificated salaries, $1.4M more in classified salaries, $3.9M more in benefits, $.3M less in books and supplies, and $6.9M more in services and other operating expense due to sub-agreements for services (which if performed by district staff would be coded as salaries and benefits).

Scenario 2 Rincon Valley	Expenditures By Object Code (Excludes Capital Outlay)				
District Name	**Gen Fund Exp by Object Code - 1000-1999 Certificated Salaries Per**	**Gen Fund Exp by Object Code - 2000-2999 Classified Salaries Per**	**Gen Fund Exp by Object Code - 3000-3999 Employee Benefits Per**	**Gen Fund Exp by Object Code - 4000-4999 Books & Supplies Per**	**Gen Fund Exp by Object Code - 5000-5999 Services & Other Op Exp**
Common Administration: Rincon Valley, Piner-Olivet, Kenwood and Mark West Union ESD and Piner-Carrillo HSD	$ 5,758	$ 1,924	$ 3,236	$ 652	$ 1,973
Bonita Unified (Los Angeles)	$ 5,560	$ 1,971	$ 2,982	$ 586	$ 1,185
Castro Valley Unified (Alameda)	$ 5,724	$ 1,668	$ 2,671	$ 581	$ 1,204
Los Alamitos Unified (Orange)	$ 5,520	$ 1,681	$ 3,013	$ 609	$ 1,203
Redondo Beach Unified (Los Angeles)	$ 5,142	$ 1,639	$ 2,306	$ 430	$ 1,150
Woodland Joint Unified (Yolo)	$ 5,312	$ 1,989	$ 2,692	$ 1,010	$ 1,519
Yucaipa-Calimesa Joint Unified (San Bernard	$ 6,085	$ 1,701	$ 3,254	$ 890	$ 1,152
Average of Comparative Districts	$ 5,557	$ 1,775	$ 2,820	$ 684	$ 1,236
FTE Difference from Average	$ 201	$ 149	$ 416	$ (32)	$ 738
Total Dollar Difference from Comparative Districts	$ 1,895,264	$ 1,407,686	$ 3,928,938	$ (305,130)	$ 6,959,788

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2

For Scenario 2 Alternative, a common administration of **Rincon Valley Unified School District** with Mark West, Piner-Olivet, and Kenwood, <u>would have the same results</u> as in the last scenario with the Rincon Valley HSD and UESD combined in a common administration.

But <u>if the three independent districts did not consolidate administration</u>, there would still be some cost savings for Rincon Valley Unified. CW selected the best comparative school districts by looking at pupil size and demographics. The districts selected were:

District Name	Census Day Enrollment (District)	Unduplicated Pupil Count %
Rincon Valley Unified (with 37% of SRCHSD)	*6,932*	*40.5%*
Claremont Unified (Los Angeles)	6,744	32.0%
Cotati-Rohnert Park Unified (Sonoma)	6,111	47.1%
Culver City Unified (Los Angeles)	7,076	35.9%
Glendora Unified (Los Angeles)	6,833	34.4%
Lammersville Joint Unified (San Joaquin)	6,397	22.8%
Novato Unified (Marin)	7,476	40.2%
Paso Robles Joint Unified (San Luis Obispo)	6,661	55.8%
San Luis Coastal Unified (San Luis Obispo)	7,491	38.6%
Average of Comparative Districts	*6,849*	*38.3%*

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2 Alternative, Cont'd

Major Function Activities

Comparing Rincon Valley Unified to 8 unified school districts of comparable size and UPC shows about $9.5M more spent by the combined Rincon Valley and SRCHSD split than the average of the comparative districts.

District Name	Expenditures By Function Code (Activity)							
	Gen Fund Exp by Activity - 1000-1999 Instruction Per Student # (District)	Gen Fund Exp by Activity - 2000-2999 Instruc-related Svcs Per Student # (District)	Gen Fund Exp by Activity - 3000-3999 Pupil Services Per Student # (District)	Gen Fund Exp by Activity - 4000-4999 Ancillary Services Per Student # (District)	Gen Fund Exp by Activity - 5000-5999 Community Services Per Student # (District)	Gen Fund Exp by Activity - 6000-6999 Enterprise Per Student # (District)	Gen Fund Exp by Activity - 7000-7999 General Administration Per Student # (District)	Gen Fund Exp by Activity - 8000-8999 Plant Services Per Student # (District)
Rincon Valley Unified (with 37% of SRCHSD)	$ 8,113	$ 1,822	$ 1,603	$ 87	$ 51	$ -	$ 945	$ 1,112
Claremont Unified (Los Angeles)	$ 7,483	$ 1,316	$ 1,562	$ 103	$ -	$ -	$ 920	$ 902
Cotati-Rohnert Park Unified (Sonoma)	$ 7,874	$ 1,308	$ 1,349	$ 46	$ -	$ -	$ 1,154	$ 1,370
Culver City Unified (Los Angeles)	$ 7,676	$ 1,757	$ 1,169	$ -	$ -	$ -	$ 927	$ 1,130
Glendora Unified (Los Angeles)	$ 8,361	$ 1,087	$ 655	$ 36	$ -	$ -	$ 571	$ 797
Lammersville Joint Unified (San Joaquin)	$ 6,335	$ 1,343	$ 719	$ 243	$ -	$ -	$ 605	$ 1,027
Novato Unified (Marin)	$ 7,639	$ 1,497	$ 926	$ 106	$ -	$ -	$ 791	$ 1,123
Paso Robles Joint Unified (San Luis Obispo)	$ 7,528	$ 1,006	$ 941	$ 111	$ 10	$ 19	$ 801	$ 1,308
San Luis Coastal Unified (San Luis Obispo)	$ 8,636	$ 1,902	$ 1,558	$ 162	$ 127	$ -	$ 1,060	$ 1,852
Average of Comparative Districts	$ 7,692	$ 1,402	$ 1,110	$ 101	$ 17	$ 2	$ 854	$ 1,189
Dollar Difference from Average Per Pupil	$ 422	$ 420	$ 493	$ (14)	$ 34	$ (2)	$ 91	$ (77)
Total Dollar Difference from Comparative Districts	$ 2,921,838	$ 2,911,440	$ 3,418,343	$ (96,182)	$ 234,822	$ (16,464)	$ 633,412	$ (531,165)
							Total	$ 9,476,044

In comparing selected functions, considerable savings might be realized through unification in instruction, instructional services, pupil services, and administrative services. The district spends $.6M less on plant service than the comparative districts.

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 2, Cont'd

Natural Expense Classification (Object Code)

By object code, the Rincon Valley unified alternative spent in total $3.9M more in certificated salaries, $1.4M more in classified salaries, $.8M more in benefits, $.7M less in books and supplies, and $3.8M more in services and other operating expense due to sub-agreements for services (which if performed by district staff would be coded as salaries and benefits).

District Name	Expenditures By Object Code (Excludes Capital Outlay)				
	Gen Fund Exp by Object Code - 1000-1999 Certificated Salaries Per Student (District)	Gen Fund Exp by Object Code - 2000-2999 Classified Salaries Per Student (District)	Gen Fund Exp by Object Code - 3000-3999 Employee Benefits Per Student (District)	Gen Fund Exp by Object Code - 4000-4999 Books & Supplies Per Student (District)	Gen Fund Exp by Object Code - 5000-5999 Services & Other Op Exp Per Student (District)
Rincon Valley Unified (with 37% of SRCHSD)	$ 5,843	$ 1,948	$ 3,227	$ 639	$ 1,965
Claremont Unified (Los Angeles)	$ 5,528	$ 1,748	$ 3,106	$ 708	$ 1,124
Cotati-Rohnert Park Unified (Sonoma)	$ 4,886	$ 1,455	$ 3,830	$ 835	$ 2,056
Culver City Unified (Los Angeles)	$ 5,460	$ 1,740	$ 2,994	$ 865	$ 1,525
Glendora Unified (Los Angeles)	$ 5,392	$ 1,685	$ 2,554	$ 760	$ 1,039
Lammersville Joint Unified (San Joaquin)	$ 4,899	$ 1,106	$ 2,624	$ 479	$ 1,158
Novato Unified (Marin)	$ 5,474	$ 1,813	$ 3,009	$ 417	$ 1,356
Paso Robles Joint Unified (San Luis Obispo)	$ 4,498	$ 1,833	$ 3,038	$ 928	$ 1,246
San Luis Coastal Unified (San Luis Obispo)	$ 6,130	$ 2,667	$ 3,686	$ 950	$ 1,815
Average of Comparative Districts	$ 5,283	$ 1,756	$ 3,105	$ 743	$ 1,415
Dollar Difference from Average Per Pupil	$ 560	$ 192	$ 122	$ (104)	$ 550
Total Dollar Difference from Comparative Districts	$ 3,879,321	$ 1,331,811	$ 844,838	$ (719,195)	$ 3,813,467

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 3

Scenario 3 (Unionization of SRCESD, Bellevue, Roseland, Bennett Valley, and Wright): CW selected the best comparative school districts by looking at the pupil size and demographics. The districts selected were:

District Name	Census Day Enrollment (District)	Unduplicated Pupil Count (UPC)
SRCE, Bellevue, Roseland, Bennett Valley and Wright Elementary School District	*9,623*	*73%*
Alum Rock Union Elementary (Santa Clara)	9,850	83%
Alisal Union Elementary (Monterey)	8,372	94%
Franklin-McKinley Elem (Santa Clara)	8,980	81%
Sallina Elementary (Monterey)	8,271	82%
Greenfield Union (Kern)	9,334	93%
La Mesa-Spring Valley (San Diego)	11,525	63%
Merced City Elementary (Merced)	10,800	79%
Tulare City (Tulare)	9,319	79%
Westminster Elementary (Orange)	8,607	77%
Average of Comparative Districts	*9,451*	*81%*

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 3, Cont'd

Major Function Activities

Comparing **Santa Rosa City Union Elementary School District** to 9 elementary school districts of comparable size and UPC shows about $8.5M more spent by the combined district than the average of the comparative districts.

District Name	Gen Fund Exp by Activity - 1000-1999 Instruction Per Student # (District)	Gen Fund Exp by Activity - 2000-2999 Instruc-related Svcs Per Student # (District)	Gen Fund Exp by Activity - 3000-3999 Pupil Services Per Student # (District)	Gen Fund Exp by Activity - 4000-4999 Ancillary Services Per Student # (District)	Gen Fund Exp by Activity - 5000-5999 Community Services Per Student # (District)	Gen Fund Exp by Activity - 6000-6999 Enterprise Per Student # (District)	Gen Fund Exp by Activity - 7000-7999 General Administration Per Student # (District)	Gen Fund Exp by Activity - 8000-8999 Plant Services Per Student # (District)
				Expenditures By Function Code (Activity)				
SRCE, Bellevue, Roseland, Bennett Valley and Wright Elementary School District	*$ 9,260*	*$ 1,525*	*$ 1,494*	*$ 15*	*$ 195*	*$ -*	*$ 1,137*	*$ 1,027*
Alum Rock Union Elementary (Santa Clara)	$ 10,030	$ 1,383	$ 1,272	$ 36	$ -	$ -	$ 1,109	$ 1,454
Alisal Union Elementary (Monterey)	$ 9,287	$ 2,160	$ 642	$ 12	$ 239	$ (12)	$ 554	$ 986
Franklin-McKinley Elem (Santa Clara)	$ 10,522	$ 1,686	$ 810	$ -	$ -	$ -	$ 2,020	$ 1,538
Sallina Elementary (Monterey)	$ 8,953	$ 1,611	$ 873	$ -	$ -	$ 23	$ 734	$ 1,114
Greenfield Union (Kern)	$ 7,965	$ 1,126	$ 1,289	$ -	$ 117	$ -	$ 858	$ 1,288
La Mesa-Spring Valley (San Diego)	$ 8,304	$ 1,324	$ 1,245	$ 29	$ 108	$ 5	$ 709	$ 1,130
Merced City Elementary (Merced)	$ 8,084	$ 1,633	$ 905	$ 11	$ 2	$ 51	$ 656	$ 1,067
Tulare City (Tulare)	$ 8,129	$ 1,705	$ 1,237	$ -	$ 1	$ -	$ 586	$ 1,646
Westminster Elementary (Orange)	$ 9,526	$ 1,469	$ 632	$ -	$ 206	$ -	$ 674	$ 1,134
Average of Comparative Districts	*8,978*	*1,566*	*989*	*10*	*75*	*7*	*878*	*1,262*
Dollar Difference from Average Per Pupil	$ 282	$ (41)	$ 505	$ 5	$ 120	$ (7)	$ 259	$ (235)
Total Dollar Difference from Comparative Districts	$ 2,715,824	$ (397,751)	$ 4,855,338	$ 50,253	$ 1,156,898	$ (71,638)	$ 2,494,495	$ (2,260,336)
							Total	$ 8,543,086

In comparing selected functions, considerable savings might be realized through unification in instruction, pupil services, community services, and administrative services. The district spends $.2.2M less on plant service over the comparative districts.

Of note is that the total amount spent by the five Santa Rosa districts on Board and Superintendent costs was $1.9M annually in 2020-21.

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 3, Cont'd

Natural Expense Classification (Object Code)

By object code, the Santa Rosa area elementary districts spend in total $1.9M more in certificated salaries, $.7M less in classified salaries, $3.2M less in benefits, $4.7M less in books and supplies, and $16.2M more in services and other operating expense due to sub-agreements for services (which if performed by district staff would be coded as salaries and benefits).

District Name	Expenditures By Object Code (Excludes Capital Outlay)				
	Gen Fund Exp by Object Code – 1000-1999 Certificated Salaries Per Student (District)	Gen Fund Exp by Object Code – 2000-2999 Classified Salaries Per Student (District)	Gen Fund Exp by Object Code – 3000-3999 Employee Benefits Per Student (District)	Gen Fund Exp by Object Code – 4000-4999 Books & Supplies Per Student (District)	Gen Fund Exp by Object Code – 5000-5999 Services & Other Op Exp Per Student (District)
SRCE, Bellevue, Roseland, Bennett Valley and Wright Elementary School District	$ 6,030	$ 1,880	$ 3,199	$ 630	$ 2,908
Alum Rock Union Elementary (Santa Clara)	$ 6,530	$ 2,240	$ 3,997	$ 720	$ 1,808
Alisal Union Elementary (Monterey)	$ 5,342	$ 1,881	$ 3,369	$ 1,979	$ 1,225
Franklin-McKinley Elem (Santa Clara)	$ 6,830	$ 2,383	$ 3,855	$ 1,297	$ 2,208
Sallina Elementary (Monterey)	$ 5,143	$ 1,872	$ 3,736	$ 1,243	$ 1,308
Greenfield Union (Kern)	$ 5,241	$ 2,121	$ 3,059	$ 1,268	$ 880
La Mesa-Spring Valley (San Diego)	$ 5,716	$ 2,210	$ 3,443	$ 565	$ 911
Merced City Elementary (Merced)	$ 5,479	$ 1,572	$ 3,383	$ 1,205	$ 789
Tulare City (Tulare)	$ 5,889	$ 1,400	$ 3,640	$ 764	$ 831
Westminster Elementary (Orange)	$ 6,310	$ 1,884	$ 3,303	$ 1,044	$ 1,082
Average of Comparative Districts	5,831	1,951	3,532	1,121	1,227
Dollar Difference from Average Per Pupil	$ 199	$ (71)	$ (333)	$ (491)	$ 1,681
Total Dollar Difference from Comparative Districts	$ 1,913,908	$ (687,510)	$ (3,201,251)	$ (4,720,616)	$ 16,177,332

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 3

Scenario 3 (Unionization of Rincon Valley, Piner-Olivet, Kenwood, and Mark West): CW selected the best comparative school districts by looking at the pupil size and demographics. The districts selected were:

District Name	Census Day Enrollment (District)	Unduplicated Pupil Count %
Rincon Valley, Piner-Olivet, Kenwood and Mark West Elementary School District	*5,591*	*31.0%*
Alta Loma Elementary (San Bernardino)	5,659	37.2%
Dry Creek (Placer)	6,335	45.5%
Encinitas Union Elementary (San Diego)	4,918	18.4%
Huntington Beach City Elementary (Orange)	5,588	22.0%
Newhall (Los Angeles)	5,920	45.6%
Oakley Union Elementary (Contra Costa)	4,939	44.7%
Orcutt Union Elementary (Santa Barbara)	4,842	44.8%
Rosedale Union Elementary (Kern)	5,762	33.1%
Sulphur Springs Union (Los Angeles)	5,069	55.4%
Union Elementary (Santa Clara)	5,727	19.2%
Average of Comparative Districts	*5,476*	*36.6%*

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 3, Cont'd

Major Function Activities

Comparing **Rincon Valley Union Elementary School District** to 9 elementary school districts of comparable size and UPC shows about $9.4M more spent by the combined district than the average of the comparative districts.

District Name	Gen Fund Exp by Activity - 1000-1999 Instruction Per Student # (District)	Gen Fund Exp by Activity - 2000-2999 Instruc-related Svcs Per Student # (District)	Gen Fund Exp by Activity - 3000-3999 Pupil Services Per Student # (District)	Gen Fund Exp by Activity - 4000-4999 Ancillary Services Per Student # (District)	Gen Fund Exp by Activity - 5000-5999 Community Services Per Student # (District)	Gen Fund Exp by Activity - 6000-6999 Enterprise Per Student # (District)	Gen Fund Exp by Activity - 7000-7999 General Administration Per Student # (District)	Gen Fund Exp by Activity - 8000-8999 Plant Services Per Student # (District)
				Expenditures By Function Code (Activity)				
Rincon Valley, Piner-Olivet, Kenwood and Mark West Elementary School District	$ 8,331	$ 1,561	$ 1,344	$ 7	$ 68	$ -	$ 940	$ 1,058
Alta Loma Elementary (San Bernardino)	$ 7,731	$ 1,318	$ 822	$ -	$ 281	$ -	$ 742	$ 912
Dry Creek (Placer)	$ 7,902	$ 1,001	$ 648	$ 9	$ -	$ -	$ 565	$ 1,038
Encinitas Union Elementary (San Diego)	$ 9,342	$ 1,185	$ 922	$ -	$ 62	$ -	$ 756	$ 1,288
Huntington Beach City Elementary (Orange)	$ 7,351	$ 1,074	$ 510	$ 1	$ 1	$ -	$ 922	$ 965
Newhall (Los Angeles)	$ 7,181	$ 1,166	$ 731	$ 26	$ 212	$ -	$ 783	$ 1,127
Oakley Union Elementary (Contra Costa)	$ 7,147	$ 1,360	$ 1,118	$ -	$ -	$ -	$ 641	$ 1,012
Orcutt Union Elementary (Santa Barbara)	$ 7,809	$ 1,392	$ 843	$ 4	$ 146	$ -	$ 212	$ 861
Rosedale Union Elementary (Kern)	$ 6,441	$ 909	$ 1,128	$ -	$ -	$ -	$ 1,099	$ 953
Sulphur Springs Union (Los Angeles)	$ 8,208	$ 898	$ 1,254	$ 17	$ -	$ -	$ 772	$ 1,241
Union Elementary (Santa Clara)	$ 7,849	$ 1,340	$ 1,068	$ 1	$ -	$ 110	$ 729	$ 1,125
Average of Comparative Districts	$ 7,696	$ 1,164	$ 904	$ 6	$ 70	$ 11	$ 722	$ 1,052
Dollar Difference from Average Per Pupil	$ 635	$ 397	$ 439	$ 1	$ (3)	$ (11)	$ 218	$ 6
Total Dollar Difference from Comparative Districts	$ 3,549,209	$ 2,218,961	$ 2,456,587	$ 7,424	$ (14,475)	$ (61,501)	$ 1,217,543	$ 31,064
							Total	**$ 9,404,811**

In comparing selected functions, considerable savings might be realized through unification in instruction, instructional related services, pupil services, and administrative services.

Of note is that the total amount spent by the four districts on Board and Superintendent costs was $1.3M annually.

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparisons for Scenario 3, Cont'd

Natural Expense Classification (Object Code)

By object code, the Rincon Valley area elementary districts spend in total $2.9M more in certificated salaries, $3M more in classified salaries, $1.9M more in benefits, $.2M less in books and supplies, and $2.3M more in services and other operating expense due to sub-agreements for services (which if performed by district staff would be coded as salaries and benefits).

District Name	Expenditures By Object Code (Excludes Capital Outlay)				
	Gen Fund Exp by Object Code - 1000-1999 Certificated Salaries Per Student (District)	Gen Fund Exp by Object Code - 2000-2999 Classified Salaries Per Student (District)	Gen Fund Exp by Object Code - 3000-3999 Employee Benefits Per Student (District)	Gen Fund Exp by Object Code - 4000-4999 Books & Supplies Per Student (District)	Gen Fund Exp by Object Code - 5000-5999 Services & Other Op Exp Per Student (District)
Rincon Valley, Piner-Olivet, Kenwood and Mark West Elementary School District	$ 5,719	$ 2,181	$ 3,345	$ 642	$ 1,395
Alta Loma Elementary (San Bernardino)	$ 5,055	$ 1,777	$ 3,196	$ 906	$ 865
Dry Creek (Placer)	$ 5,681	$ 1,292	$ 2,647	$ 519	$ 788
Encinitas Union Elementary (San Diego)	$ 6,272	$ 1,877	$ 3,512	$ 751	$ 1,034
Huntington Beach City Elementary (Orange)	$ 4,908	$ 1,624	$ 2,866	$ 567	$ 842
Newhall (Los Angeles)	$ 4,913	$ 1,619	$ 2,477	$ 557	$ 1,570
Oakley Union Elementary (Contra Costa)	$ 5,244	$ 1,571	$ 2,814	$ 588	$ 989
Orcutt Union Elementary (Santa Barbara)	$ 4,738	$ 1,653	$ 3,294	$ 900	$ 692
Rosedale Union Elementary (Kern)	$ 4,850	$ 1,412	$ 2,815	$ 466	$ 886
Sulphur Springs Union (Los Angeles)	$ 4,606	$ 1,753	$ 3,355	$ 1,283	$ 1,042
Union Elementary (Santa Clara)	$ 5,644	$ 1,948	$ 3,091	$ 320	$ 1,213
Average of Comparative Districts	$ 5,191	$ 1,653	$ 3,007	$ 686	$ 992
Dollar Difference from Average Per Pupil	$ 527	$ 528	$ 339	$ (44)	$ 403
Total Dollar Difference from Comparative Districts	$ 2,948,790	$ 2,954,526	$ 1,893,588	$ (246,343)	$ 2,254,786

Cost Savings Analysis, Cont'd

Function and Object Code Cost Comparison by Major Function Activities, Cont'd

A recap of the potential savings (shortfall) for each Scenario, comparing major functional costs, is shown below.

- **Scenario 1** has the <u>most opportunity to save total costs but is also riskier,</u> given the significant estimated revenue drop.

- **Scenario 1 Alternative** is <u>not likely to yield additional cost savings</u>; the comparative districts spent $9M more on average than SRCS today.

- **Scenario 2 Santa Rosa City Unified** is <u>quite advantageous financially</u>. The recomputation of LCFF yields an estimated $9.4M more in funding, and there is a potential cost savings of $7.6M for the <u>total fiscal positive of $17M</u>.

- **Scenario 2 Rincon Valley High School and Union Elementary School Districts** is financial advantageous with <u>an opportunity to save $14M and achieve a net positive financial gain of $12.2M</u>.

- **Scenario 3 Santa Rosa Union Elementary School District** a merger of the five districts in Santa Rosa would provide <u>an opportunity to save an estimated $8.5M</u>, and of that, about $1.5M in board and superintendent costs alone. This larger elementary district could be consolidated administratively with SRCHSD and avoid the financial risks of Scenario 1.

- **Scenario 3 Rincon Valley Union Elementary School District,** a merger of the four Rincon Valley, Piner-Olivet, Kenwood, and Mark West districts, has <u>an opportunity to save $9.4M annually</u>, more than offsetting the loss of basic aid status of Kenwood for a net surplus of $7.6M.

Comparing the Revenue Changes in Each Scenario to the Potential Cost Savings							
	Scenario 1 - Unify Santa Rosa Area		Scenario 2 - Split SRCHSD into Two District Areas			Scenario 3 - Two Unionized Elementary Districts, One SRHSD	
	Santa Rosa Unified	**Alternative: SRCESD and SRCHSD Unified - All Others Opt Out**	**Santa Rosa Unified (SRCESD, Roseland, Bellevue, Bennett Valley, Wright and SRCHSD Split on Proportionate ADA)**	**Rincon Valley HSD and Rincon Valley Union ESD - Common Administration**	**Alternative: Rincon Valley Unified Thompson-Style - Common Administration**	**3A: SRCESD, Roseland, Bellevue, Bennett Valley, and Wright**	**3B: Rincon Valley, Kenwood, Mark West and Piner-Olivet**
Estimated Revenue Gain (Loss) Through Consolidation	$ (21,303,186)	$ (2,716,629)	$ 9,422,560	$ (1,812,358)	$ (4,052,731)	$ (1,399,304)	$ (1,812,358)
Potential Cost Savings Comparing Major Functions to Comparable Districts	44,817,195	none noted	7,593,823	13,974,850	13,974,850	8,543,086	9,404,811
Net Positive (Shortfall) Change When Compared to Comparative Districts on Cost	$ 23,514,009	$ (2,716,629)	$ 17,016,383	$ 12,162,492	$ 9,922,119	$ 7,143,782	$ 7,592,452
Total Estimated Net Positive Financial Gain	*$ 23,514,009*			*$ 29,178,874*			*$ 14,736,234*

Cost Savings Analysis, Cont'd

Certificated Staffing Analysis

CW analyzed certificated staffing Full-time Equivalent (FTE) employee counts and the average salaries using the State's J-90 reporting data for the fiscal year 2020-21. The average teacher salary for the Santa Rosa area districts and FTEs were:

School District	Average Salary	Salary Schedule FTE
Bellevue Elementary School District	$ 83,482	68
Bennett Valley Elementary School District	$ 72,457	54
Kenwood Elementary School District	$ 83,881	15
Mark West Elementary School District	$ 85,560	75
Piner-Olivet Elementary School District	$ 85,824	48
Rincon Valley Elementary School District	$ 77,046	198
Roseland Elementary School District	$ 74,841	145
Santa Rosa City Schools	$ 81,181	786
Wright Elementary School District	$ 73,440	65
Average Salary and Total FTE	**$ 79,746**	**1,454**

source: 2020-21 J-90 report, except Kenwood and Wright, 2019-02

For **Scenario 1 (full unification)**, the sum of the Santa Rosa Schools certificated FTEs is 343 more than the average of the comparative districts. The calculated Enrollment per FTE is 18 compared to 22. (Note: the Enrollment per FTE doesn't necessarily reflect actual class sizes, which are subject to variables such as grade level and program placement.)

District Name	Census Day Enrollment (District)	Teacher Salary- Avg (District)	Salary Schedule FTEs	Enrollment per FTE
Santa Rosa Schools - All Unified	*25,658*	*$ 79,746*	*1,454*	*18*
Chino Valley Unified (San Bernardino)	27,333	$ 88,458	1,261	22
Glendale Unified (Los Angeles)	24,924	$ 86,125	1,143	22
Orange Unified (Orange)	26,943	$ 89,626	1,168	23
Placentia-Yorba Linda Unified (Orange)	24,296	$ 91,200	1,122	22
Saddleback Valley Unified (Orange)	24,954	$ 91,978	1,126	22
Torrance Unified (Los Angeles)	22,490	$ 84,234	1,008	22
Tustin Unified (Orange)	22,761	$ 91,764	946	24
Average of Comparative Districts	*24,814*	*$ 89,055*	*1,111*	*22*
FTE Difference			*343*	

Cost Savings Analysis, Cont'd

Certificated Staffing Analysis, Cont'd

Scenario 1 Alternative (SRCESD and SRCHSD unified) has 38 more FTE than the comparative districts' average enrollment per FTE is 19 compared to 20 on average.

District Name	Census Day Enrollment (District)	Teacher Salary-Avg (District)	Salary Schedule FTEs	Enrollment per FTE
SRCUSD (SR Elem and HS)	*15,240*	*$ 81,181*	*786*	*19*
Alhambra Unified (Los Angeles)	15,747	$ 89,568	793	20
Burbank Unified (Los Angeles)	14,704	$ 82,724	714	21
Santa Barbara Unified (Santa Barbara)	14,205	$ 81,236	661	21
Santa Clara Unified (Santa Clara)	14,808	$ 119,826	887	17
Simi Valley Unified (Ventura)	15,951	$ 83,344	762	21
Tracy Joint Unified (San Joaquin)	15,577	$ 82,453	653	24
Ventura Unified (Ventura)	15,871	$ 77,987	769	21
Average of Comparative Districts	*15,272*	*$ 86,237*	*748*	*20*
FTE Difference from Average Per Pupil			*38*	

There is a wide range salary offered from lowest to highest. A new district that results from reorganization would negotiate a new contract with the teachers, and the possible costs are not included in this analysis. There is no obligation to negotiate the highest salary schedule. However, as shown further, more FTEs in all scenarios compared to similar districts. A managed workforce reduction using normal attrition and/or early retirement incentives would likely offset any added salary schedule costs.

School District	Lowest Offered Salary	BA60 Step-10 Offered (District)	Highest Salary Offered	Average Salary
Bellevue Elementary School District	$ 53,003	$ 75,189	$ 102,962	$ 83,482
Bennett Valley Elementary School District	$ 50,339	$ 67,686	$ 93,136	$ 72,457
Kenwood Elementary School District		n/a		$ 83,881
Mark West Elementary School District	$ 55,665	$ 80,825	$ 103,933	$ 85,560
Piner-Olivet Elementary School District	$ 39,998	$ 80,584	$ 111,443	$ 85,824
Rincon Valley Elementary School District	$ 53,561	$ 73,379	$ 93,195	$ 77,046
Roseland Elementary School District	$ 52,243	$ 75,234	$ 93,603	$ 74,841
Santa Rosa City Schools	$ 60,287	$ 77,707	$ 97,344	$ 81,181
Wright Elementary School District	n/a			$ 73,440

Cost Savings Analysis, Cont'd

Certificated Staffing Analysis, Cont'd

Scenario 2 (a unified SRCESD, Bennett Valley, Bellevue, Roseland, Wright, and 63% of SRCHSD) has 172 more FTE than the comparative districts, and the Enrollment average per FTE is 18 compared to 22 on average.

District Name	Census Day Enrollment (District)	Teacher Salary- Avg (District)	Salary Schedule FTEs	FTE per Enrollment
Santa Rosa City Unified (Bennett Valley, Bellevue, Roseland and Wright)	*16,171*	*$ 79,292*	*920*	*18*
Alhambra Unified (Los Angeles)	15,747	$ 89,568	793	20
Antioch Unified (Contra Costa)	16,599	$ 88,291	722	23
Apple Valley Unified (San Bernardino)	14,358	$ 84,820	648	22
Central Unified (Fresno)	15,742	$ 79,890	720	22
Norwalk-La Mirada Unified (Los Angeles)	16,209	$ 96,639	753	22
Pasadena Unified (Los Angeles)	16,761	$ 75,843	753	22
Alvord (Riverside)	17,682	$ 100,596	749	24
Hacienda La Puente (LA)	17,329	$ 101,905	843	21
Average of Comparative Districts	*16,303*	*$ 87,879*	*748*	*22*
FTE Difference from Average Per Pupil			*172*	

Scenario 2 (Rincon Valley unified with 37% of SRCHSD) has 90 more FTE than the comparative districts and Enrollment to FTE of 18 compared to 22.

District Name	Census Day Enrollment (District)	Teacher Salary- Avg (District)	Salary Schedule FTEs	Enrollment per FTE
Rincon Valley Unified (with 37% of SRCHSD)	*6,932*	*$ 79,115*	*396*	*18*
Claremont Unified (Los Angeles)	6,744	$ 87,499	271	25
Cotati-Rohnert Park Unified (Sonoma)	6,111	$ 68,438	274	22
Culver City Unified (Los Angeles)	7,076	$ 84,878	317	22
Glendora Unified (Los Angeles)	6,833	$ 90,397	349	20
Lammersville Joint Unified (San Joaquin)	6,397	$ 78,488	269	24
Novato Unified (Marin)	7,476	$ 80,630	303	25
Paso Robles Joint Unified (San Luis Obispo)	6,661	$ 72,736	318	21
San Luis Coastal Unified (San Luis Obispo)	7,491	$ 82,252	348	22
Average of Comparative Districts	*6,849*	*$ 80,665*	*306*	*22*
FTE Difference			*90*	

Cost Savings Analysis, Cont'd

Certificated Staffing Analysis, Cont'd

Scenario 3 (unionization of SRCESD, Bellevue, Roseland, Bennett Valley, and Wright) has 143 more FTE and Enrollment to FTE of 17 compared to 20.

District Name	Census Day Enrollment (District)	Teacher Salary-Avg (District)	Salary Schedule FTEs	Enrollment per FTE
SRCE, Bellevue, Roseland, Bennett Valley and Wright Elementary School District	*9,623*	*$ 78,196*	*582*	*17*
Alum Rock Union Elementary (Santa Clara)	9,850	$ 91,067	469	21
Alisal Union Elementary (Monterey)	8,372	$ 78,497	382	22
Franklin-McKinley Elem (Santa Clara)	8,980	$ 95,813	318	28
Salina Elementary (Monterey)	8,271	$ 77,633	382	22
Greenfield Union (Kern)	9,334	$ 78,388	426	22
La Mesa-Spring Valley (San Diego)	11,525	$ 89,200	568	20
Merced City Elementary (Merced)	10,800	$ 95,152	481	22
Tulare City (Tulare)	9,319	$ 86,473	488	19
Westminster Elementary (Orange)	8,607	$ 96,505	474	18
Average of Comparative Districts	*9,451*	*87,636*	*439*	*20*
FTE Difference from Average			*143*	

In Scenario 3 (unionization of Rincon Valley, Piner-Olivet, Kenwood, and MarkWest), the FTE is 61 higher than the average, and Enrollment to FTE is at 17 compared to 20.

District Name	Census Day Enrollment (District)	Teacher Salary-Avg (District)	Salary Schedule FTEs	Enrollment per FTE
Rincon Valley, Piner-Olivet, Kenwood and Mark West Elementary School District	*5,591*	*$ 80,506*	*336*	*17*
Alta Loma Elementary (San Bernardino)	5,659	$ 88,464	261	*22*
Dry Creek (Placer)	6,335	$ 86,103	335	*19*
Encinitas Union Elementary (San Diego)	4,918	$ 86,031	298	*17*
Huntington Beach City Elementary (Orange)	5,588	$ 98,407	258	*22*
Newhall (Los Angeles)	5,920	$ 77,874	307	*19*
Oakley Union Elementary (Contra Costa)	4,939	$ 82,971	218	*23*
Orcutt Union Elementary (Santa Barbara)	4,842	$ 78,288	236	*21*
Rosedale Union Elementary (Kern)	5,762	$ 73,419	287	*20*
Sulphur Springs Union (Los Angeles)	5,069	$ 76,190	233	*22*
Union Elementary (Santa Clara)	5,727	$ 94,701	263	*22*
Average of Comparative Districts	*5,476*	*$ 84,245*	*275*	*20*
FTE Difference from Average			*61*	

Certificated Staffing Analysis Conclusion: FTE's are higher in each scenario, and the average teacher salary is lower. With the reorganization, there appear to be opportunities to adjust FTE levels, which could be used to improve salaries, benefits, and other board expenditure priorities.

Cost Savings Analysis, Cont'd

Administrator, Pupil Services, and Classified Staffing Analysis

CW compared FTEs for non-teaching staff using the most recent published data, the fiscal year 2018-19. The data includes all charters (local and independent). Therefore, in most cases, different comparative groups of districts were used to best align with the total enrollment and comparable staffing needs. The results for each scenario are shown below and on the following pages:

Scenario 1 (total unification) shows the Santa Rosa schools with 46 more administrators, 86 more pupil services FTEs and 41 more classified staffing FTEs for 174 FTEs than comparative districts. However, a wide staffing level range was noted within similar-sized districts.

	2018-19 Enrollment	Administrators		Pupil Services		Classified Staff				
		FTE	Per Pupil	FTE	Per Pupil	Office/Clerical	Other Classified	Para-professional	Total	Per Pupil
Santa Rosa Schools - All Unified	*29,232*	*141*	*207*	*211*	*139*	*341*	*409*	*338*	*1,088*	*27*
Chino Valley Unified (San Bernardino)	28,063	99	289	83	351	296	401	179	876	32
Desert Sands Unified (Riverside)	28,610	86	335	115	250	230	562	239	1,031	28
Temecula Valley (Riverside)	29,609	85	353	212	156	202	424	315	941	31
Visalia Unified (Tulare)	29,107	128	305	115	324	231	593	418	1,242	23
Orange Unified (Orange)	27,473	75	373	98	300	232	664	247	1,143	24
Average of Comparative Districts	*28,572*	*95*	*331*	*125*	*276*	*238*	*529*	*280*	*1,047*	*27*
FTE Difference Over (Under)		46		86		103	(120)	58	41	
* Include all charter schools							Total - All Groups		174	

Scenario 1 Alternative (SRCESD and SRCHSD unified) shows more administrators and pupil services but less classified staff for a net of 6 FTE less over the comparative group of districts.

Scenario 1B	2018-19 Enrollment	Administrators		Pupil Services		Classified Staff				
		FTE	Per Pupil	FTE	Per Pupil	Office/Clerical	Other Classified	Para-professional	Total	Per Pupil
Santa Rosa City Unified (SRCESD and SRCHSD)	*16,096*	*81*		*111*		*243*	*192*	*128*	*563*	*29*
Alhambra Unified (Los Angeles)	16,531	68	243	126	134	176	342	239	757	22
Natomas Unified (Sacramento)	15,686	57	275	74	208	124	236	161	521	30
Simi Valley Unified (Ventura)	16,451	55	299	76	232	216	229	222	667	25
Tracy Joint Unified (San Joaquin)	15,906	54	297	39	416	108	289	142	539	30
Ventura Unified (Ventura)	16,353	65	254	101	172	132	310	165	607	27
Average of Comparative Districts	*16,185*	*60*	*274*	*83*	*232*	*151*	*281*	*186*	*618*	*26*
FTE Difference Over (Under)		21		28		92	(89)	(58)	(55)	
* Include all charter schools							Total - All Groups		(6)	

Cost Savings Analysis, Cont'd

Administrator, Pupil Services and Classified Staffing Analysis, Cont'd

Scenario 2 (Unified SRCESD, Bellevue, Bennett Valley, Roseland, Wright, and 63% of SRCUSD) shows more administrators and pupil services but less classified staff for a net of 41 FTE more than the comparative group of districts.

Scenario 2A		Administrators		Pupil Services		Classified Staff				
District Name	**2018-19 Enrollment**	**FTE**	**Per Pupil**	**FTE**	**Per Pupil**	**Office/Clerical**	**Other Classified**	**Para-professional**	**Total**	**Per Pupil**
Santa Rosa City Unified (Bennett Valley, Bellevue, Roseland and Wright)	*18,974*	*95*	*200*	*132*	*144*	*228*	*276*	*190*	*694*	*29*
Alvord (Riverside)	18,504	61	303	129	148	137	347	159	643	
Coachella Valley (Riverside)	18,013	75	247	50	360	162	538	212	912	20
Conejo Valley (Ventura)	18,408	66	379	78	221	167	215	147	529	34
Oceanside (San Diego)	19,749	57	350	105	197	129	439	222	790	23
Jurupa (Riverside)	*19,344*	59	328	81	242	173	408	182	763	26
Average of Comparative Districts	*18,804*	*64*	*321*	*89*	*234*	*154*	*389*	*184*	*727*	*26*
FTE Difference Over (Under)		*31*		*43*		*74*	*(113)*	*6*	*(33)*	
* Includes all charter schools							*Total - All Groups*		*41*	

Scenario 2 (Rincon Valley unified with 37% of SRCHSD) shows more administrators, pupil services, and classified staff for a net of 52 FTE more than the comparative group of districts.

Scenario 2B		Administrators		Pupil Services		Classified Staff				
	2018-19 Enrollment	**FTE**	**Per Pupil**	**FTE**	**Per Pupil**	**Office/Clerical**	**Other Classified**	**Para-professional**	**Total**	**Per Pupil**
Rincon Valley Unified (with 37% of SRCHSD)	*7,415*	*36*	*206*	*68*	*109*	*90*	*90*	*151*	*331*	*22*
Azusa (LA)	8,010	40	100	29	278	104	260	139	503	16
Culver City (LA)	7,144	27	277	48	155	59	114	90	263	27
David (Yolo)	8,472	35	258	57	172	38	83	185	306	28
Novato (Marin)	7,690	37	212	30	279	83	141	38	262	29
Glendora (LA)	7,198	21	343	30	257	51	90	85	226	32
Average of Comparative Districts	*7,703*	*32*	*238*	*39*	*228*	*67*	*138*	*107*	*312*	*25*
FTE Difference Over (Under)		*4*		*29*		*23*	*(48)*	*44*	*19*	
* Includes all charter schools							*Total - All Groups*		*52*	

Cost Savings Analysis, Cont'd

Administrator, Pupil Services and Classified Staffing Analysis, Cont'd

Scenario 3 (consolidated elementary school districts of SRCESD, Bellevue, Bennett Valley, Roseland, and Wright) shows more administrators, pupil services, and classified staff for a net of 120 FTE than the comparative group of districts.

Scenario 3A			Administrators		Pupil Services			Classified Staff			
	2018-19 Enrollment		FTE	Per Pupil	FTE	Per Pupil	Office/Clerical	Other Classified	Para-professional	Total	Per Pupil
SRCE, Bellevue, Roseland, Bennett Valley and Wright Elementary School District	*11,978*		*63*		*89*		*124*	*207*	*151*	*482*	*25*
La Mesa- Spring Valley (San Diego)	12,400		40	314	110	124	71	363	163	597	21
Menifee (Riverside)	11,949		35	348	48	253	95	177	121	393	30
Merced City (Merced)	11,009		52	121	34	338	84	208	108	400	28
Roseville (Placer)	11,344		40	284	58	207	81	126	95	302	38
Victor Elem (San Bernardino)	12,772		26	491	37	345	95	223	78	396	32
Average of Comparative Districts	*11,895*		*39*	*312*	*57*	*253*	*85*	*219*	*113*	*418*	*28*
FTE Difference Over (Under)			24		32		39	(12)	38	64	
* Includes all charter schools								Total - All Groups		120	

Scenario 3 (consolidated elementary school districts of Rincon Valley, Piner-Olivet, Mark West, and Kenwood) shows more administrators, pupil services, and classified staff for a net of 67 FTE than the comparative group of districts.

Scenario 3B			Administrators		Pupil Services			Classified Staff			
	2018-19 Enrollment		FTE	Per Pupil	FTE	Per Pupil	Office/Clerical	Other Classified	Para-professional	Total	Per Pupil
Rincon Valley, Piner-Olivet, Kenwood and Mark West Elementary School District	*6,150*		*27*		*54*		*52*	*93*	*125*	*270*	*23*
Alta Loma Elementary (San Bernardino)	6,050		27	263	24	263	44	129	59	232	26
Rosedale (Kern)	5,797		18	322	24	258	18	111	72	201	29
Fountain Valley Elementary (Orange)	6,328		18	352	25	253	44	82	94	220	29
Sunnyvale (Santa Clara)	6,664		24	278	15	469	65	84	111	260	26
Newhall (LA)	6,539		29	240	27	262	50	114	113	277	24
Average of Comparative Districts	*6,276*		*23*	*291*	*23*	*301*	*44*	*104*	*90*	*238*	*26*
FTE Difference Over (Under)			4		31		8	(11)	35	32	
* Includes all charter schools								Total - All Groups		67	

Cost Savings Analysis, Cont'd

Administrator, Pupil Services and Classified Staffing Analysis, Cont'd

Administrator, Pupil Services, and Classified Staffing Analysis Conclusion: Except for Scenario 1 Alternative, there are significant opportunities to consolidate school districts through either unification or unionization (of elementary districts) and save costs for administrators and pupil services, and except for Scenario 2 classified staff. Scenario 1 Alternative is the already consolidated Santa Rosa City school districts, and it appears that the financial benefits of consolidated administration have already been largely achieved, and unification for these two districts alone would not garner much more inefficiencies.

Note on Classified Salaries: There are similarities with classified salary schedules, but differences cannot be thoroughly analyzed without looking at each classification in each District and FTEs placement on each schedule.

Instead, CW compared the FTEs to other comparative districts in the analyses above. In a school district reorganization, the classified staff have a two-year right to their classification and pay so that no layoffs could occur once approved for unification. Any cost savings for on-going staff would be two years out.

Long-Term Debt Analysis

Long-Term Liabilities

A summary of long-term liabilities by District is shown below:

Schedule of Long-Term Liabilities							
Santa Rosa Area Districts	**CalSTRS/CalPERS Pension Liability**	**General Obligation Bonds**	**Compensated Absences**	**Other Post-Employment Benefits (OPEB)**	**Early Retirement Incentives**	**Other Loans and Certificates of Participation**	**Total Long-Term Debt**
Santa Rosa City Schools	$ 195,425,275	$ 246,922,800	$ 1,954,462	$ 24,752,522	$ -	$ 17,649,755	$ 486,704,814
Mark West Elementary School District	16,941,857	18,231,050	71,109	2,393,918	109,000	-	37,746,934
Piner-Olivet Elementary School District	16,078,696	18,918,481	158,336	1,353,874	-	-	36,509,387
Rincon Valley Elementary School District	50,188,721	51,982,373	185,509	3,201,330		1,813,192	107,371,125
Kenwood Elementary School District	3,070,766	-	22,281	-	-	-	3,093,047
Bennett Valley Elementary School District	11,471,595	13,094,851	79,872	-	-	-	24,646,318
Bellevue Elementary School District	19,072,298	49,070,513	120,534	-	-	-	68,263,345
Roseland Elementary School District	32,250,874	10,950,807	89,006	3,004,550	-	2,655,000	48,950,237
Wright Elementary School District	18,348,254	19,206,032	104,177	-	-	-	37,658,463
							-
Total Santa Rosa Districts	$ 362,848,336	$ 428,376,907	$ 2,785,286	$ 34,706,194	$ 109,000	$ 22,117,947	$ 850,943,670
Source: June 30, 2021 audited financial statements							

Looking closer at the components of long-term liabilities:

- **CalSTRS/CalPERS:** this liability is a proportionate share of the entire statewide liability for each pension system. The liability cannot be negotiated away nor funded locally except through statutorily determined employer contribution rates.

- **General Obligations Bonds:** bonds are secured by voter-approved taxes. After reorganization, the bonded indebtedness is redistributed to all property owners in the newly reorganized District(s), typically based on proportionate assessed valuation. Still, a negotiation consideration could be made for where the properties that benefitted from the improvements are located. The process could result in more or fewer taxes for individual taxpayers. Still, given that the high school district debt is already apportioned area-wide, it is unlikely to result in material changes. Of the $247M in general obligation debt in Santa Rosa City Schools, the elementary district's share is about $50M.

- **Compensated Absences:** vacation benefits are negotiated. A new contract would be negotiated for future benefits in a newly unified school district. Past accrued benefits would remain a liability to the newly unified school district.

Long-Term Debt Analysis, Cont'd

- **Other Loans and COPS:** Several districts have non-voter debt that would likely be allocated as follows in a reorganization:

    o Santa Rosa High has $12M in COPS to improve facilities throughout the high school district. In Scenario 1, the reorganized district would assume the debt. In Scenario, the debt would be allocated proportionately to each district by either ADA or school site location in the reorganized districts. In Scenario 3, the debt would remain within Santa Rosa City High School District with no allocation to the merged elementary districts.

    o There is a $6M Charter School Facilities Program loan for the Santa Rosa Charter for the Arts, a local charter authorized by SRCESD. The loan obligation would remain with the charter school in a reorganization.

    o The PG&E energy retrofit loan of $4.7M would be divided by proportionate ADA for all scenarios, including SRC schools. The only exception would be Scenario 3 which does not include a portion of either SRCESD or SRCHSD.

    o Roseland ESD has a $2.7M lease refinancing that is non-voter debt. The debt would follow into any scenarios, including Roseland. It is be repaid through 2036.

    o Rincon Valley has a $1.8M lease-purchase agreement for work performed at the Spring Creek Elementary School site. The debt would follow Rincon Valley in any reorganization scenario that involves the district.

- **Other Post-Employment Benefits:** Five of the nine school districts have OPEB. The exceptions are Kenwood, Bennett Valley, Bellevue, and Wright. Except for SRC Schools, all districts cap at age 65. Consider:

    o SRC has the largest liability at $25M and without a cap it could grow. But compared to similar size districts it may not nearly as large. For example, Glendale Unified has a $129M liability and Saddleback Unified a $333M liability.

    o Total benefit payments made in 2020-21 amounted to $1.7M, with $1.5M paid by SRC.

    o In the division of assets and debt, should a reorganization occur, there would a negotiation on the buyout of the future obligations, often shared by proportionate FTE.

    o New contracts for any reorganized district would be negotiated on benefits, but past guaranteed benefits of the former districts would likely be assumed by the new District. In Scenario 2, which divides SRCHSD, the distribution formula would be negotiated and likely be based on proportionate high school ADA or FTEs.

- **Early Retirement Incentive and Other Liabilities:** These liabilities would become liabilities of the newly unified school district. The amounts paid from general operating funds are insignificant compared to the new budget's size.

Fiscal Status of the Districts

According to the Districts' audit reports, as of June 30, 2021, all the districts meet or exceed the minimum reserve requirements of the State.
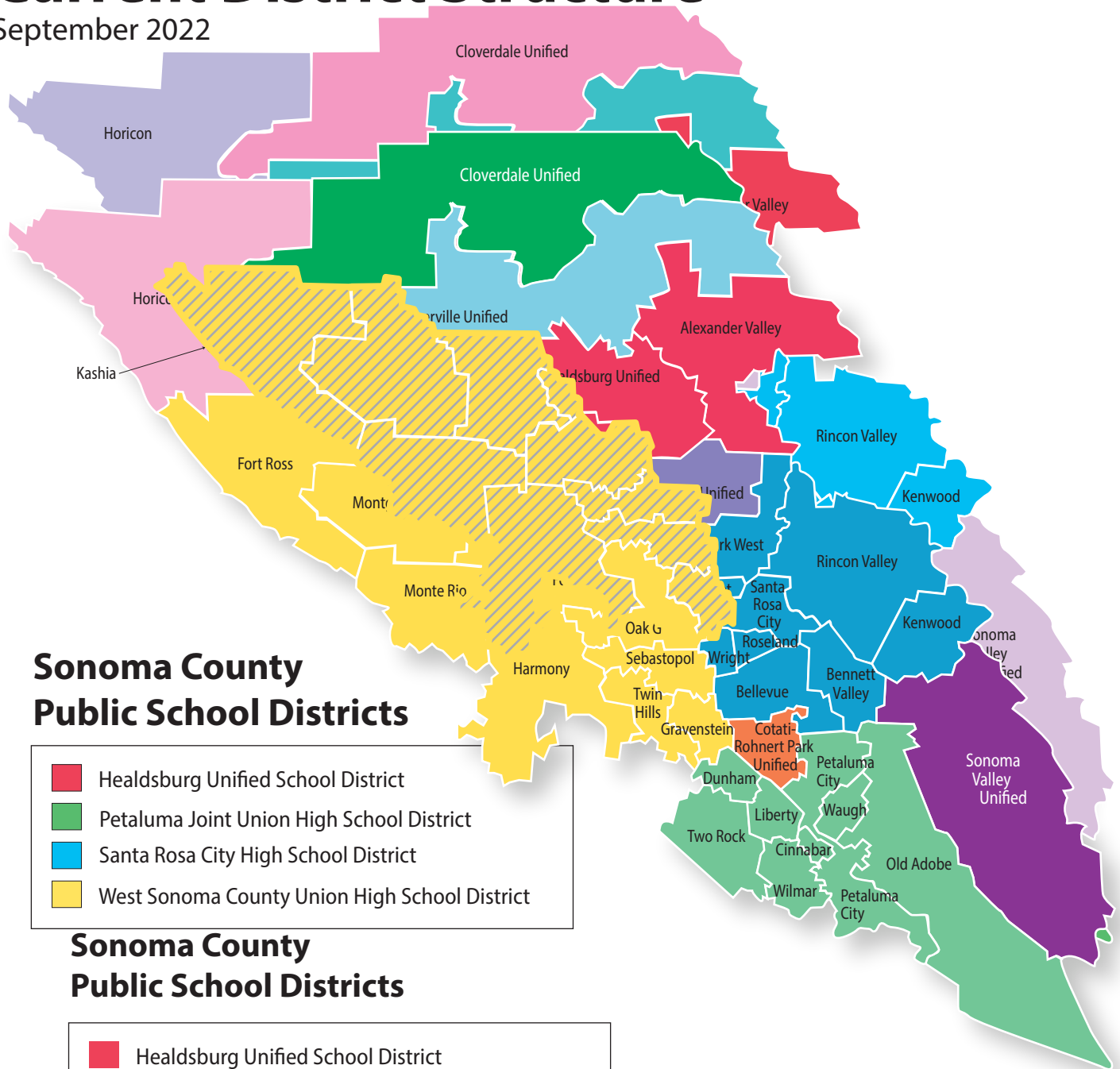
All the districts filed a "positive" 2nd interim report on fiscal status in 2021-22, meaning they project to meet their obligations for the current and two subsequent fiscal years. Four of the eight districts had audit findings on state compliance or financial reporting.

Financial Status			
Santa Rosa Area Districts	**Available Reserves as a % of Total Outgo**	**Second Interim 2021-22 Fiscal Certification**	**Significant Audit Findings?**
Santa Rosa City Schools (consolidated)	12.7%	Positive	No
Mark West Elementary School District	17.0%	Positive	No
Piner-Olivet Elementary School District	4.0%	Positive	Yes, state compliance
Rincon Valley Elementary School District	27.3%	Positive	Yes, state compliance and financial reporting
Kenwood Elementary School District	76.3%	Positive	No
Bennett Valley Elementary School District	6.7%	Positive	No
Bellevue Elementary School District	17.8%	Positive	Yes, state compliance and financial reporting
Roseland Elementary School District	10.6%	Positive	No
Wright Elementary School District	20.7%	Positive	Yes, state compliance and financial reporting
Source: June 30, 2021 audited financial statements			

APPENDIX:
MAPS OF EACH SCENARIO

Current District Structure
September 2022

Cloverdale Unified
Horicon
Cloverdale Unified
Horic
Kashia
...rville Unified
...Valley
Alexander Valley
Fort Ross
...ldsburg Unified
Rincon Valley
Mont
Kenwood
...Unified
...rk West
Monte Rio
Rincon Valley
Monte Rio
Santa
Rosa
City
Kenwood
Oak G
Roseland
...onoma
...lley
...ied
Harmony
Sebastopol
Wright
Twin
Hills
Bellevue
Bennett
Valley
Gravenstein
Cotati-
Rohnert Park
Unified
Sonoma
Valley
Unified
Dunham
Petaluma
City
Liberty
Waugh
Two Rock
Cinnabar
Old Adobe
Wilmar
Petaluma
City

Sonoma County
Public School Districts

🟥	Healdsburg Unified School District
🟩	Petaluma Joint Union High School District
🟦	Santa Rosa City High School District
🟨	West Sonoma County Union High School District

Sonoma County
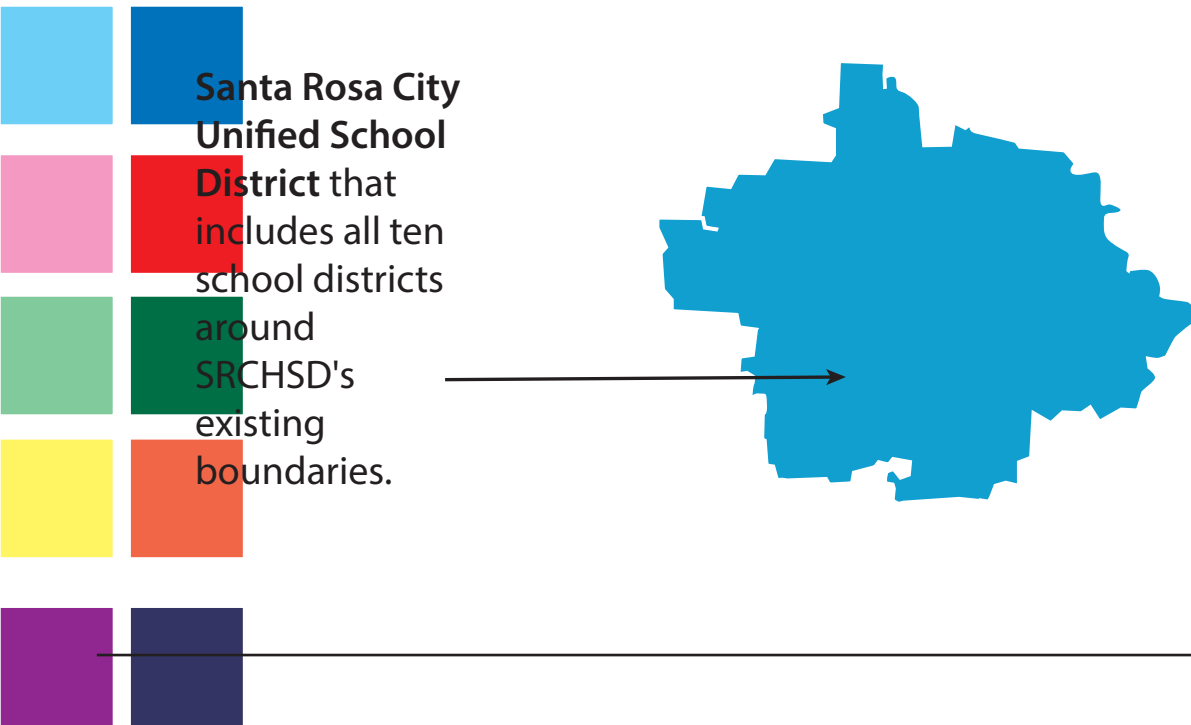## Public School Districts

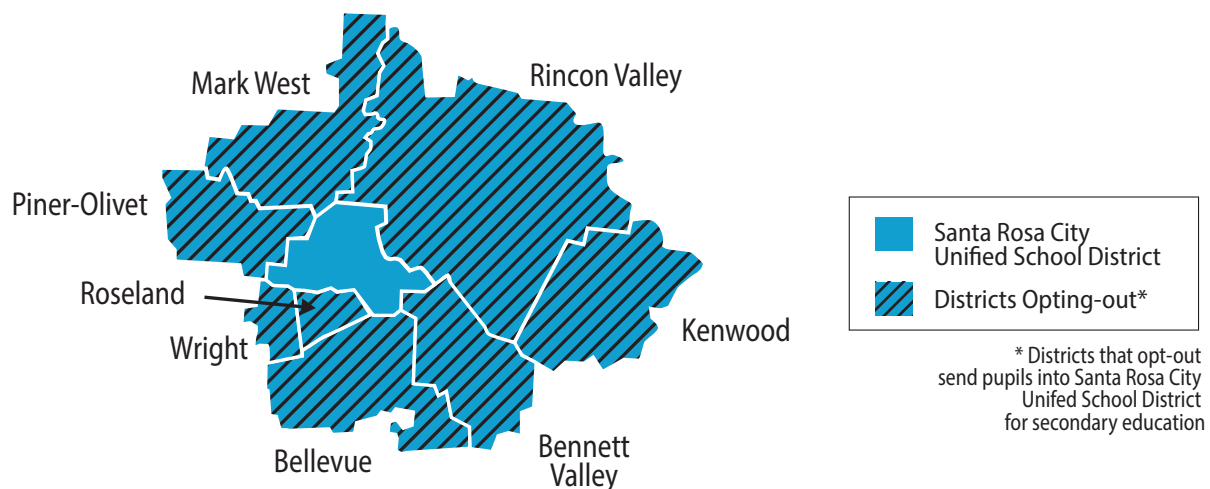|	
🟥	Healdsburg Unified School District
🟩	Petaluma Joint Union High School District
🟦	Santa Rosa City High School District
🟨	West Sonoma County Union High School District

Scenario 1
Unification of Santa Rosa City High School District (SRCHSD)

Santa Rosa City Unified School District that includes all ten school districts around SRCHSD's existing boundaries.

An alternative would be to unify the current common administration districts of **Santa Rosa City Elementary (SRCESD)** and **High School District (SRCHSD).**
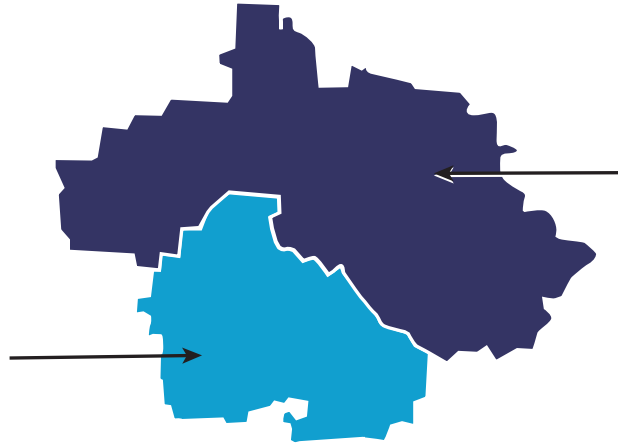
The remaining eight elementary districts would remain independent, like today, using the Thompson provisions of law that permit opting out of a unification action.

Mark West

Rincon Valley

Piner-Olivet

Roseland

Wright

Kenwood

Bellevue

Bennett Valley

Santa Rosa City Unified School District

Districts Opting-out*

* Districts that opt-out send pupils into Santa Rosa City Unifed School District for secondary education
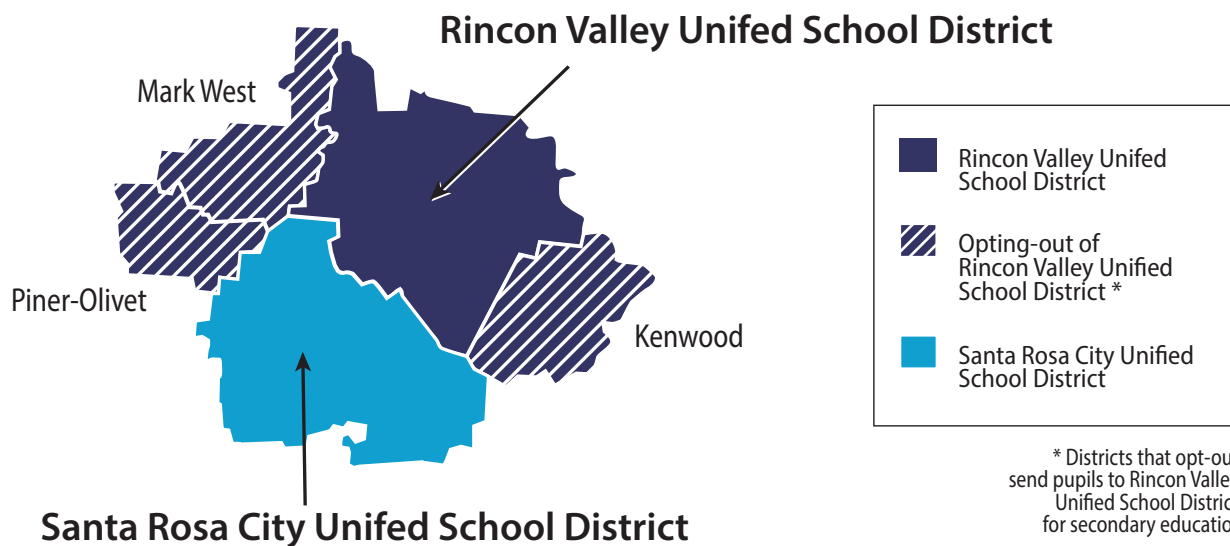
Scenario 2
Split SRCHSD Into Two School District Areas

1. Santa Rosa City Unified with SRCESD, Bellevue, Roseland, Bennett Valley, Wright, and 63% of SRCHSD's pupils.

2. Rincon Valley High School District (37% of SRCHSD's pupils) and **Rincon Valley Union Elementary School District** both under one common administration.

An alternative would be to create a **Rincon Valley Unified School District** that includes Rincon Valley and approximately 37% of SRCHSD's students. The existing elementary districts of Mark West, Kenwood, and Piner-Olivet would remain independent of limiting the loss of basic aid community funding. A common administration for the four districts is suggested to save the most costs instead of a full unification.

Mark West

Rincon Valley Unifed School District

Piner-Olivet

Kenwood

	Rincon Valley Unifed School District
	Opting-out of Rincon Valley Unified School District *
	Santa Rosa City Unified School District

* Districts that opt-out send pupils to Rincon Valley Unified School District for secondary education

Santa Rosa City Unifed School District

Scenario 3

**Consolidation of Elementary School Districts
Under Common Administration with SRCHSDs**

Santa Rosa City Union Elementary School District would merge Bellevue, Roseland, Bennett Valley, and Wright with Santa Rosa City Elementary Schools under a consolidated administration with SRCHSD.

Rincon Valley Union Elementary School District would merge Rincon Valley, Piner-Olivet, Kenwood, and Mark West and send secondary pupils to SRCHSD under one common administration.

**Rincon Valley
Union Elementary
School District**

**Santa Rosa City
Union Elementary
School District**

**Santa Rosa City
High School District**