

# Citizen Community Meeting #1

January 9, 2024

Time: 5:00 pm

Location:

Higley Unified School District

Governing Boardroom

2935 S Recker Rd

Gilbert, AZ 85295

*The goal of the citizen's committee is to have thoughtful, public dialogue and provide our Governing Board with a recommendation that helps them make an educated decision on what critical needs should be addressed.*

## **AGENDA**

- I. Call to Order
- II. Approval of the Agenda
- III. Committee participant introductions and timeline review

Tyler Moore  
Gustavo Landeros  
Eric Braun  
Taylor Francis  
Robert Furneaux  
Scott Hamilton

Melissa Johnson  
Vanessa Shepherd  
Melanie Shaha  
Domingo Santos  
Marty Bender  
Michelle Bugg

Jennifer Nuñez  
Victoria Payne  
Kathleen Richards  
Ozzie Lewis  
Christopher Sexton

- IV. Ground Rules
- V. Introduction to the Higley Unified School District & Historical Context
- VI. School Funding 101
- VII. Future Agenda Items
  - A. Demographic report
  - B. Classroom Space Usage
  - C. Survey Instrument Review
- VIII. Adjournment

*Next meeting date January 30, 2024*

# Higley Unified School District History & Information



## Employees

HUSD has more than 1,600 employees, including teachers, administrators, health aides, instructional coaches, and more

## Schools

HUSD has 16 schools including: 2 Preschools, 9 Elementary Schools, 2 Middle Schools, 2 High Schools, and a Virtual Academy

## History/Students

Established in 1909 HUSD started with 15 students and now has more than 13,500 PreK-12

## Buildings

HUSD has 747 classrooms and 50 buildings with a total square footage of 1,836,377

## Transportation

HUSD has a total of 149 vehicles, including 84 school buses which traveled more than 587,800 miles and transported 5,846 students

## 2023 Budget

Total expenditures all funds  
\$231,856,725



# M&O Override History & Timeline

66% Reduction in  
Override Funding

**2027**

\*Pending November 2024 Election

**2026** 33% Reduction in  
Override Funding

\*Pending November 2024 Election

**2021 - 2025**

Fully Funded

- Increase teacher compensation
- Maintain and improve elementary specials such as arts, music, PE, and district athletics
  - Provide staffing to maintain average class sizes
- Support gifted, special education and all-day Kindergarten
  - Provide education resources to classrooms



H·I·G·L·E·Y  
UNIFIED  
SCHOOL  
DISTRICT

**2016 - 2020**

Fully Funded

- Increase teacher compensation
- Maintain and improve elementary specials such as arts, music, PE, and district athletics
  - Provide staffing to maintain average class sizes
- Support gifted, special education and all-day Kindergarten
  - Provide education resources to classrooms

**2019** Renewed 15% M&O Override  
November 2019 Election

33% Reduction in  
Override Funding

**2014**

- Administration reduction
- Accelerated Reader position eliminated
- Bus maintenance employee eliminated
  - Furlough day for all staff
  - Lunch aides eliminated
- Reduced Media Specialists from 10 FTE to 3 FTE
  - Gifted teacher reduction by 3.5 FTE
  - Reduced bus route for High School

**2015** 67% Reduction in  
Override Funding

Passed 15% M&O Override – Nov 2015 Election

- Administration reduction
- Accelerated Reader position eliminated
- Bus maintenance employee eliminated
- Furlough day for all staff
- Lunch aides eliminated
- Reduced Media Specialists from 10 FTE to 3 FTE
- Gifted teacher reduction by 3.5 FTE
- Reduced bus route for High School

**2009 - 2013**

Fully Funded

- Provide needed classroom supplies and materials
- Develop and maintain competitive educational programs
- Maintain desirable student/teacher ratio in the classroom
  - Attract and retain quality educational staff
  - Respond to increases in utility and fuel costs

**2013** Failed Renewal  
November 2013 Election

**2012** Failed Renewal  
November 2012 Election

**2008**

Passed Renewal 10% M&O Override  
November 2008 Election

**2004 - 2008**

Fully Funded

- Provide needed classroom supplies and materials
- Develop and maintain competitive educational programs for students
- Maintain desirable student/teacher ratio in the classroom
- Attract and retain quality educational staff
- Respond to increases in utility and fuel costs

Passed 10% M&O Override  
November 2003 Election

**2003**

\*No funding this year



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UNIFIED SCHOOL DISTRICT

# School Finance 101

January 9, 2024

# Summary of School District Funds

BUDGET TYPE	BUDGET LIMITATION	REVENUE	USES
Maintenance and Operations (M&O)	Formula	Local Property Tax/State Aid	Regular Ed Special Ed Pupil Transport
District Additional Assistance (DAA) or Capital	Formula  Reduced by up to 70% Restored to 100% '21/'22	Local Property Tax/State Aid	Textbooks/ Furniture & Equipment/ Library Books/Computers

# Summary of School District Funds

BUDGET TYPE	BUDGET LIMITATION	REVENUE	USES
Federal/State Grants	Formula Application	Federal or State Government	Typically Supplemental Educational Program
Adjacent Ways (SFB Eligibility Approval for Projects over \$50,000)	None	Local Property Tax	Sidewalks, Streets/Curbs, Bus Bays, Fire Lanes



# Summary of School District Funds

BUDGET TYPE	BUDGET LIMITATION	REVENUE	USES
Students FIRST (Fair and Immediate Resources for Students Today)	Formula Application	State School Facility Board	Major Maintenance Land Purchase New Construction
Debt Service (Bonds)	Debt Payment	Local Property Tax	Pay Interest & Principal - Previously Issued Bonds

# Summary of School District Funds



BUDGET TYPE	BUDGET LIMITATION	REVENUE	USES
Classroom Site Fund (CSF)	Formula	State	Teacher Salaries Performance Pay
Other (Enterprise Funds)/ Special Revenue Funds	Amount of Revenue	Participant/User Fees	Food Service Facility Rental Summer School Athletics Bookstore



# M&O Budget Expenditure Formula

$(WSC \times BLA \times TEI) + NFAE = BRCL$

$BRCL + TRCL = RCL$

$RCL + \text{Add Ons} = GBL$

WSC	Weighted Student Count
BLA	Base Level Amount - FY23/24: \$4,914.71
TEI	Teacher Experience Index
NFAE	Non-Federal Audit Actual Expense
BRCL	Base Revenue Control Limit
TRCL	Transportation Revenue Control Limit - FY23/24: <ul style="list-style-type: none"><li>• 0.5 mile or less OR more than 1.0 = \$2.89/mile</li><li>• More than 0.5 mile through 1.0 mile = \$2.37/mile</li></ul>
RCL	Revenue Control Limit
GBL	General Budget Limit

# Weighted Student Count - Add Ons

Add Ons - Group A	Support Level Weight
PSD	1.450
K-8	1.158
9-12	1.268

Students can only qualify for highest add on for special education.

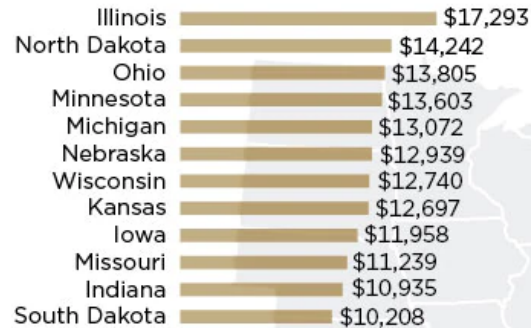
\*Gifted & Free and Reduced can be combined with other add ons.

Add Ons - Group B	Support Level Weight
English Learners (ELL)	0.1150
K-3	0.0600
K-3 (Reading)	0.0400
Hearing Impairment (HI)	4.7710
MD-R, A-R, SID-R	6.0240
MD-SC, A-SC, SID-SC	5.9880
Multiple Disabilities Severe Sensory Impairment (MD-SSI)	7.9470
Orthopedic Impairment Resource (OI-R)	3.1580
Orthopedic Impairment Self-Contained (OI-SC)	6.7730
Preschool Severe Delayed (P-SD)	3.5950
DD, ED, MIID, SLD, SLI, OHI	0.2920
Emotionally Disabled Private (ED-P)	4.8220
MOID	4.4210
Visual Impairment (VI)	4.8060
*Gifted (G)	0.0070
*Free and Reduced (FRPL)	0.0180

# U.S. School System Current Spending Per Pupil by Region: Fiscal Year 2020

Nationwide Average: \$13,494

## MIDWEST



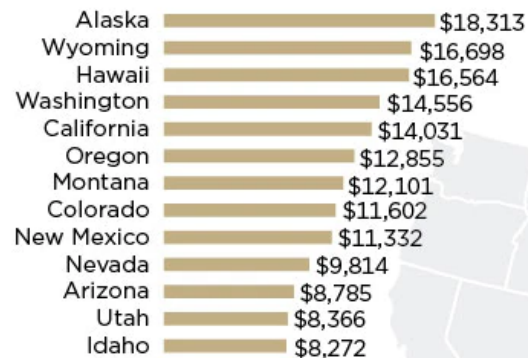
Average per pupil current spending: **\$13,535**

## NORTHEAST



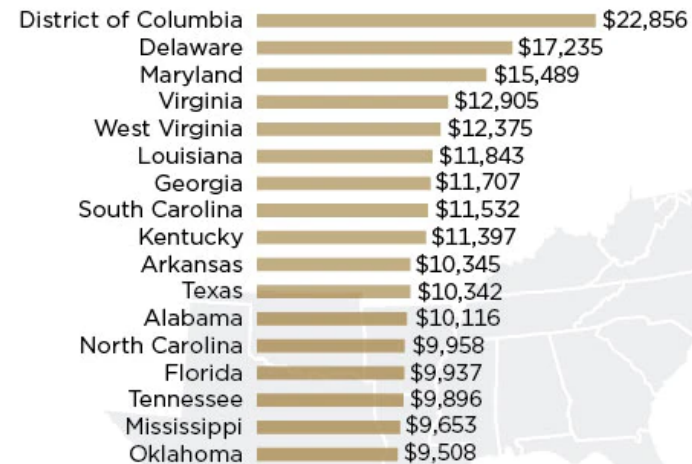
Average per pupil current spending: **\$21,123**

## WEST



Average per pupil current spending: **\$12,802**

## SOUTH



Average per pupil current spending: **\$10,954**

Note: Data include public pre-K through 12th grade systems.

# Maintenance & Operation (M&O) Budget

## Additional Add Ons (Adjustments):

- 1) M&O Override (up to 15%)
- 2) Desegregation
- 3) Budget Balance Carryforward
- 4) Tuition Income
- 5) Registered Warrant Expense
- 6) District Additional Assistance (Option)
- 7) Small School Adjustment
- 8) Prop 123 Adjustment (Expires 2025) – Higley \$870K
- 9) ADM Audit Adjustment
- 10) Water Savings Account Adjustment

# Override Elections

## M&O - 7 years; Approved November Election

15%	Years 1-5	Higley 15% - 19/20 – 26/27
10%	Year 6 (FY25)	
5%	Year 7 (FY26)	
0%	Year 8 (FY27)	

Can be up to 15% of RCL (about 60% of districts have M&O override)

## Capital Outlay – 7 yrs; Approved November Election

100% Local Property Tax – Limited to 10% of RCL

Would equal approximately \$8,500,000 in additional capital funding

# Capital Outlay Formula

## District Additional Assistance (Capital)

District Prior Year Unweighted	x \$549.45 (PSD)
100 <sup>th</sup> Day ADM	x \$549.45 (K-8)
(Average Daily Membership)	x\$600.86 (9-12)
	<u>x \$84.93 (HS Textbook)</u>
	= \$7.4m (Capital)

## Charter Additional Assistance

	\$2,049.12 (PSD)
	\$2,049.12 (K-8)
	<u>\$2,388.21 (9-12)</u>
	*\$27m if HUSD was funded with Charter Calculations

# Classroom Site Fund

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## **How may districts use CSF monies? (A.R.S. §15-977):**

- Class size reduction–Maintenance and operations expenditures that are designed to reduce the pupil-to-teacher ratio, including employees who serve as aides to teachers.
- Teacher compensation–Including a base pay and performance pay component.
- Assessment intervention programs–Before-school, after-school, summer, and tutoring programs that are specifically designed to ensure that pupils meet the State academic standards prescribed by A.R.S. §15-741.
- Teacher development.
- Dropout prevention programs.
- Teacher liability insurance premiums.
- Student support services

## **Budget Controlled/Non-Supplanting Fund – Sunsets 40'/41'**

**HUSD Amount - \$11.7m**



# Budget Controlled Funds

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- Maintenance & Operation (001)
- Capital (District Additional Assistance) (610)
- Adjacent Ways (620)
- Debt Service (700)
- Classroom Site Fund (010)
- State & Federal Grants (100-400)

All Others Are Cash Controlled Funds

# Cash Controlled Funds

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- School Plant (Lease/Sale of Property) (500)
- Food Service (510)
- Civic Center (515)
- Community School (520)
- Auxiliary Operations (Bookstores/Athletics) (525)
- Extracurricular Activity Fee Tax Credit (526)
- Gifts & Donations (530)
- Vocational Education Projects (535)
- Fingerprint (540)
- School Opening (545)
- Insurance Proceeds (550)

# Cash Controlled Funds

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- Textbooks (555)
- Litigation Recovery (565)
- Indirect Costs (570)
- Unemployment Insurance (575)
- Teacherage (580)
- Insurance Refund (585)
- Gifts & Grants to Teachers (590)
- Advertisement (595)
- Joint Tech Ed (596)
- Bond Proceeds (630) Higley - \$0
- Impact Aid Building (639)

# Cash Controlled Funds

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- Gifts & Donations, Capital (650)
- Energy & Water Savings (665)
- Self Insurance (853)
- Condemnation (660)
- Debt Service (700)
- Impact Aid Revenue Bond (720)
- IGA's (955)
- Instructional Improvement Fund (Indian Gaming - Prop. 202) (20)
- Structured English Immersion (71)

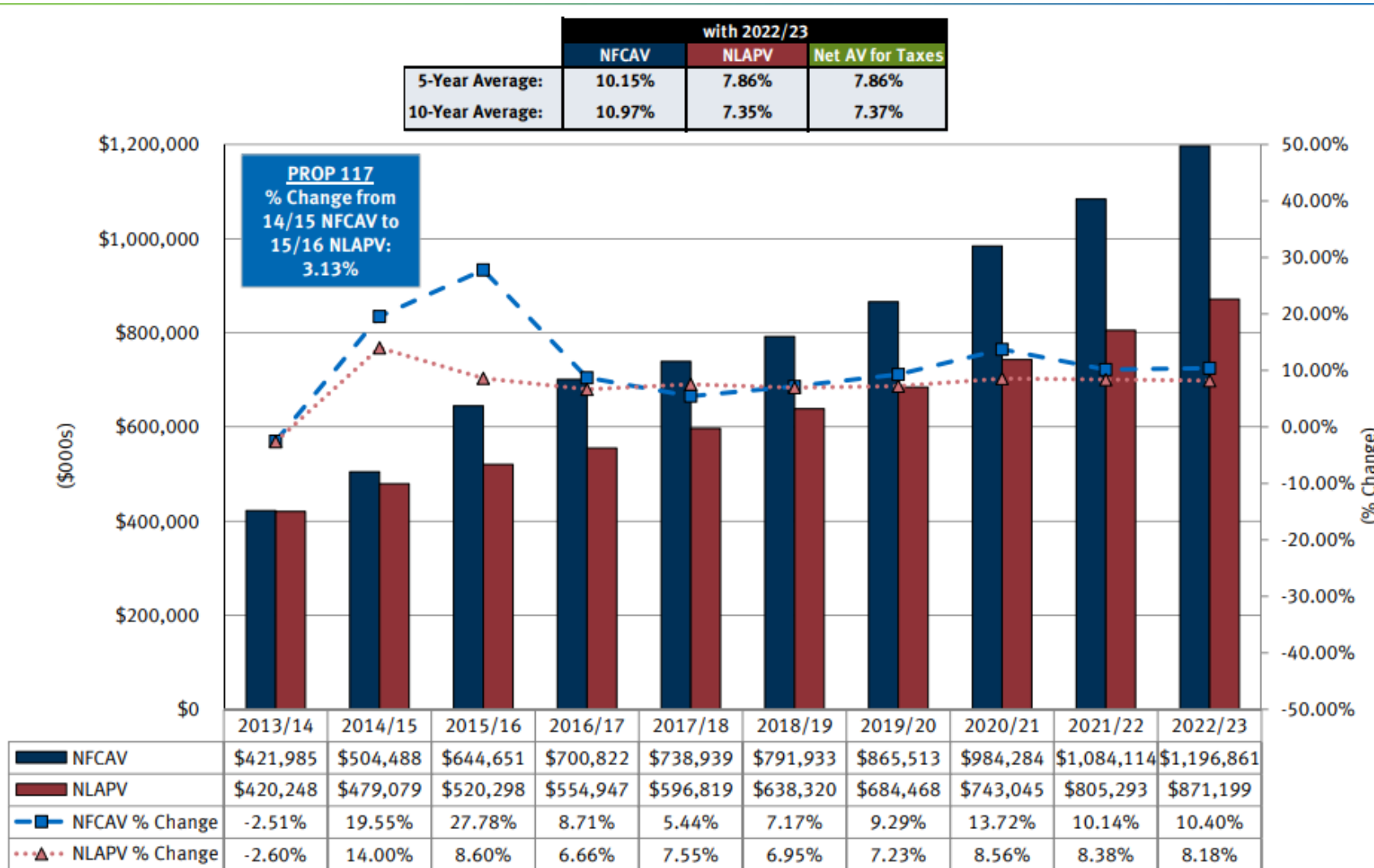
# Where the Money Comes From

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Equalization Assistance (state & county aid)	45%
Local Property Tax (primary)	50%
Misc. Revenue (tuition, BBCF, int. earn.)	<u>5%</u>
Total	100%

Note: Only two districts are fully supported by local property taxes

# Property Tax Base: Assessed Property Value

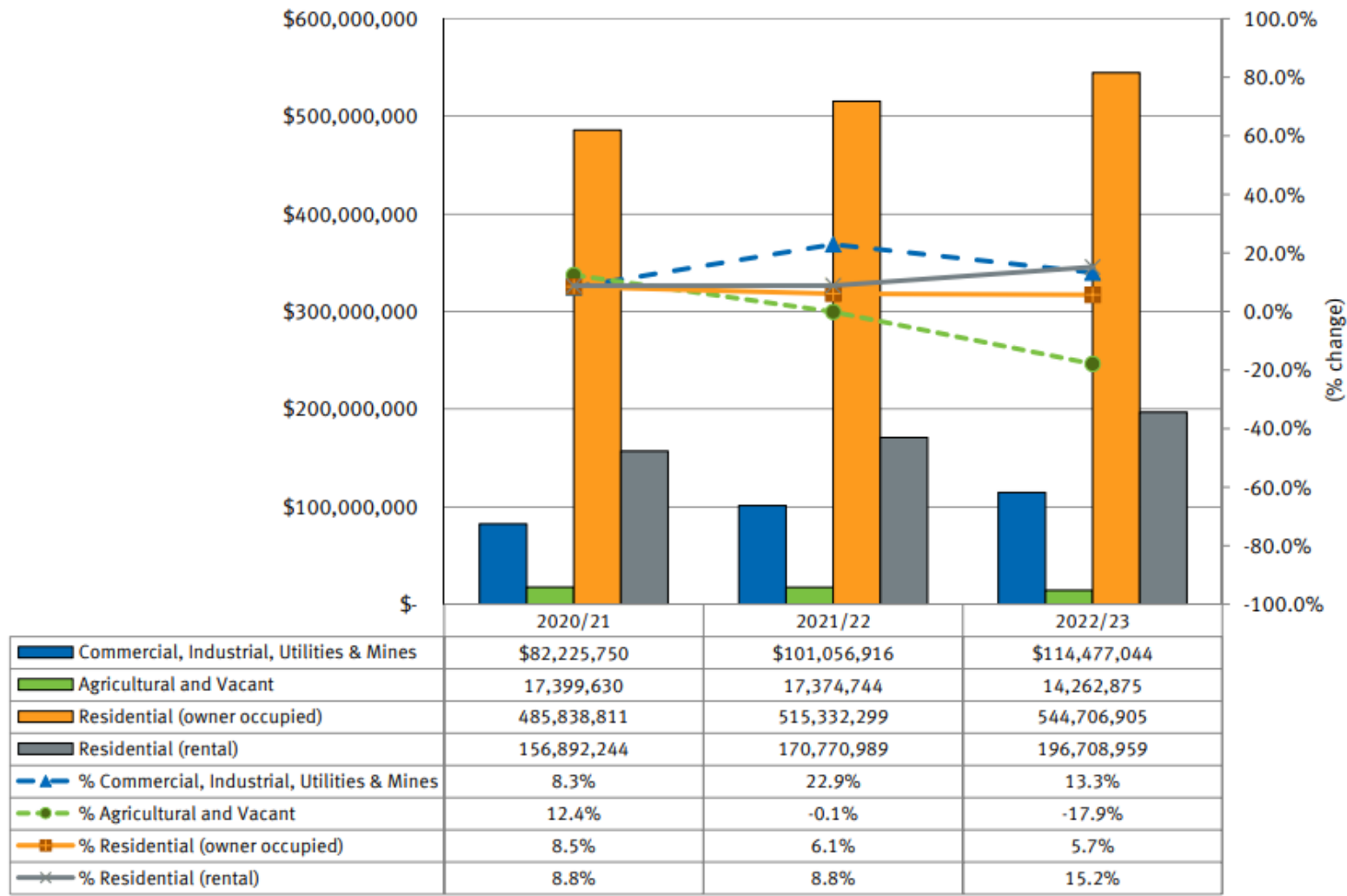


Fiscal Year 2015-16 is the first year limited property value (in lieu of full cash value) was used as the basis for levying secondary property taxes (Prop 117).

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue, Property Tax Rates and Assessed Values, Arizona Tax Research Association and Assessor and Finance Department of the County.

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# Property Tax Base: Assessed Value Classification



Source: *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue, *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and Assessor and Finance Department of the County.

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# Total Tax Rate Comparison

School District	Total Tax Rate (FY23)
Queen Creek USD	\$7.170
Mesa USD	\$7.209
Higley USD	\$6.293
Chandler USD	\$5.921
Gilbert USD	\$5.812
Paradise Valley USD	\$5.858
Scottsdale USD	\$3.344

# Classroom Spending Report



## Higley Unified School District

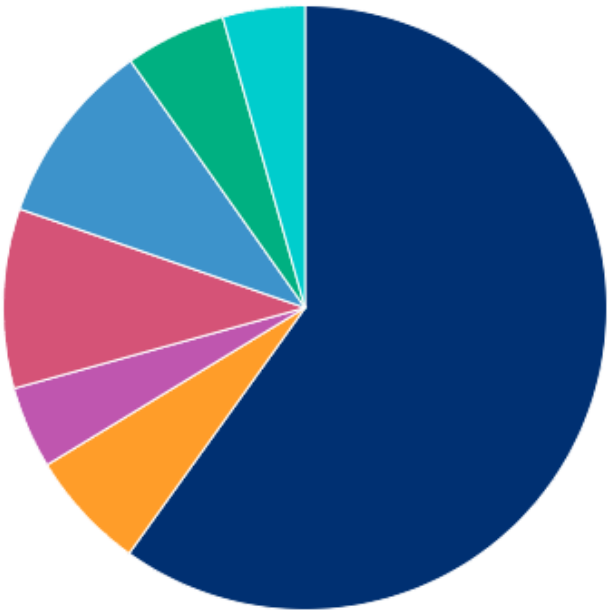
### District demographic information —

County:	Maricopa	Students attending; Size:	12,728; Large
Operational peer group <sup>i</sup>	Operational 2	5-year change in students attending:	9% increase
Other peer groups:	Transportation 2 and Achievement 1	Special education population:	14%
Legislative district(s):	14 and 15	English learner population:	1%
Location:	Suburb	Poverty rate (2021):	5%
Number of schools:	13	Graduation rate (2021):	96%

### District's spending by operational area

Every year, school districts must decide where to allocate their resources. This pie chart shows how Higley Unified School District spent its funding by operational area, including the percentage it spent in the classroom and specifically on instruction.

We categorize districts with certain similar qualities into **operational peer groups<sup>i</sup>** in order to help create meaningful comparisons across districts. Higley Unified School District's peer group had an average instructional spending percentage of 53.8%. This number can help provide context for Higley Unified School District's own instructional spending percentage.



- Classroom spending, 70.7%**
  - Instruction, 59.9%
  - Student support, 6.4%
  - Instruction support, 4.4%
- Nonclassroom spending, 29.3%**
  - Administration, 9.6%
  - Plant operations, 9.9%
  - Food service, 5.4%
  - Transportation, 4.4%

For definitions of what is included in operational spending and each of the operational areas, see the "Spending areas" section on the [Glossary page](#).

# Percentage Spent in Classroom

Classroom Spending	Higley USD FY22	State FY22	US FY17
Instruction	59.9%	54.5%	60.7%
Instructional Support	4.4%	5.8%	4.9%
Student Support	6.4%	9.8%	5.8%
<b>Non-Classroom Spending</b>			
Administration	9.6%	10.2%	11.3%
Plant Operations	9.9%	11.3%	9.3%
Food Services	5.4%	4.7%	3.9%
Transportation	4.4%	4.3%	4.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# Classroom Spending Report

## Operational efficiency measures

Performance measures, such as those shown below, can be used in addition to the instructional spending percentage to assess a district's operational efficiency. We have classified the District's spending relative to its peer districts' average as very low, low, comparable, high, very high, or N/A (not available or applicable). High or very high spending when compared to peer averages may signify an opportunity for improved efficiency in that area. A district's data may not be available or applicable if they did not operate a program in that operational area. For example, not all districts operate food service or transportation programs.

For more information on how we calculate these measures, see the "Operational efficiency measure calculations" section on the [Glossary page](#).

Operational area	Measure	State average	Peer average <sup>1</sup>	District	District spending relative to the peer average
Administration	Spending per student	\$1,088	\$1,000	\$850	Low
	Students per administrative position	63	65	84	N/A
Plant operations	Spending per square foot	\$7.21	\$7.63	\$6.22	Very Low
	Square footage per student	167 ft <sup>2</sup>	142 ft <sup>2</sup>	142 ft <sup>2</sup>	N/A
Food service	Spending per meal	\$3.25	\$3.12	\$3.34	High
	Meals per student	158	132	142	N/A

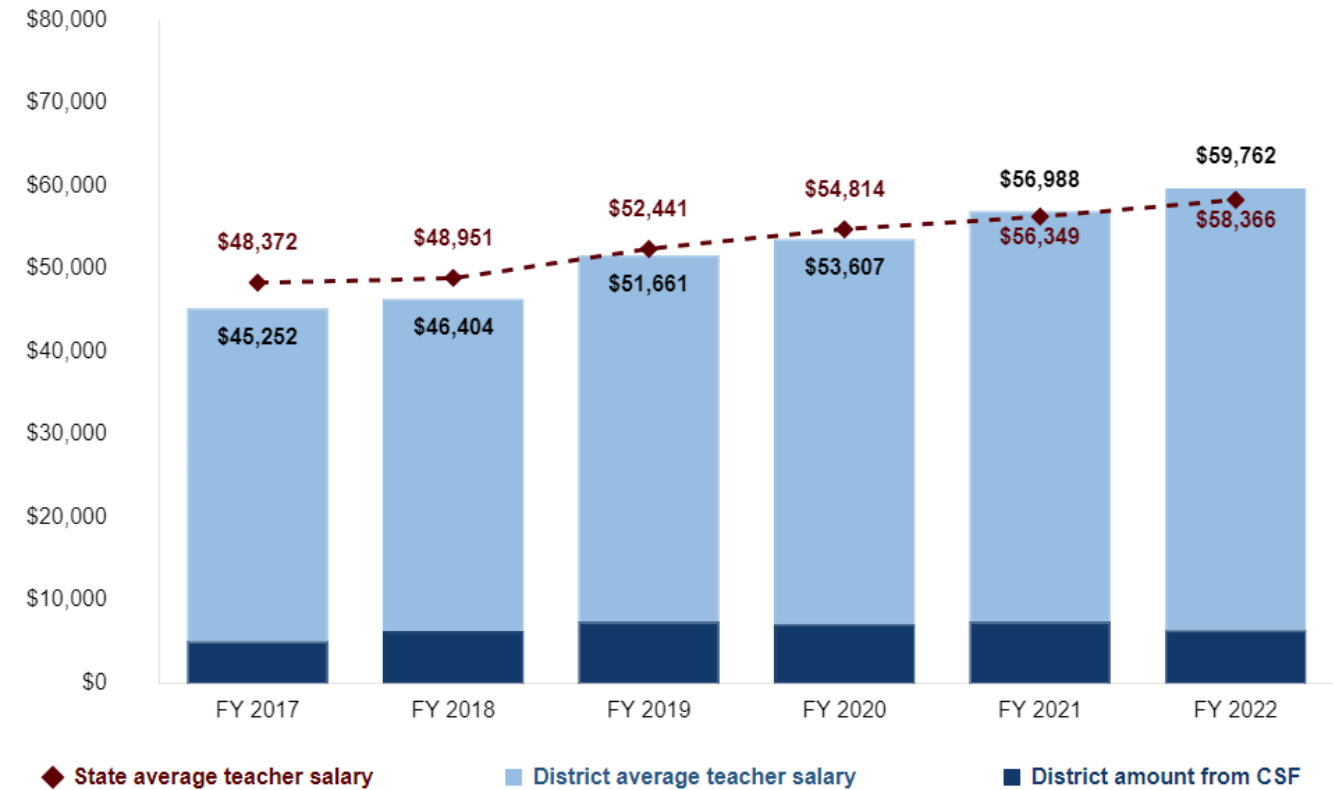
Transportation performance measures are compared using different peer groups because we have found there are other factors, such as the number of miles a district averages for each rider, that impact transportation spending. For more information on how we create transportation peer groups see the "District peer groups" section on the [Glossary page](#).

Operational area	Measure	State average	Peer average <sup>1</sup>	District	District spending relative to the peer average
Transportation	Spending per mile	\$5.53	\$7.96	\$7.13	Low
	Spending per rider	\$1,945	\$2,061	\$1,651	Very Low

# Classroom Spending Report



Average teacher salary and other measures



Measure	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Students per teacher <sup>1</sup>	18.4	18.1	16.9	17.2	16.3	17.4
Average years of teacher experience	9.0	8.9	9.2	9.6	9.2	9.7
Percentage of teachers in first 3 years	26%	27%	24%	18%	22%	15%





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# Questions