Excess Revenue, Unequal Opportunity

Revisiting Basic Aid in the LCFF Era

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Executive Summary

California's school funding formula for transitional kindergarten (TK) through Grade 12 is designed to direct more resources to students with greater need. However, some districts—known as *basic aid districts*—generate more funding from local property taxes than the state calculates they need under the Local Control Funding Formula (LCFF). Basic aid districts keep their extra property tax revenues, often generating thousands of dollars more per student than other districts.

This report, the first major study on basic aid since the enactment of LCFF in 2013, finds that 139 districts serving just 5.5 percent of California's TK–12 students are benefitting from growing funding advantages. Excess local revenue in basic aid districts has risen 41 percent (17 percent when adjusted for inflation) over 5 years—outpacing LCFF growth and widening the gap between property-rich districts and those that rely on state aid.

In analyzing disparities between basic aid districts and their peers, this report focuses on a subset of 50 well-resourced districts—those with both high excess revenues and low percentages of high-need students (e.g., students from low-income households, English learner students, students in foster care)—that capture the majority of these funding advantages. Concentrated in property-rich areas of the state—most notably San Mateo, Santa Clara, Santa Barbara, San Diego, and Marin Counties—these "excess advantage" districts collectively generated $1.15 billion in excess revenue, representing 87 percent of the statewide total in school year 2023–24.

Substantial per-pupil funding gaps between excess advantage and other districts create tangible resource disparities that affect teachers and students alike. Excess advantage districts offer far higher salaries and have smaller class sizes than surrounding districts, intensifying competition for qualified teachers and leaving neighboring districts struggling to recruit and retain staff.

An analysis of the funding patterns, demographic profiles, and resource gaps of California's basic aid districts highlights five policy options that state lawmakers and education interest holders can take to address these disparities:

- Require some districts to consolidate or share services regionally.
- Expand interdistrict transfer and related choice policies.
- Implement regional cost adjustments.
- Provide more state aid to lower-wealth districts.
- Capture and redistribute some or all excess property tax revenues.

California's school finance system has been designed with equity in mind, but the resource disparities created by excess advantage districts risk undermining that principle. Policymakers now face important choices about whether and how to address these excess resources so that all students benefit, regardless of where they live. The policy options outlined in this report provide potential pathways to move the system closer to funding fairness.

Introduction

Funding for California's transitional kindergarten through Grade 12 (TK–12) public education system is built on the principle that all students, regardless of zip code, should have access to a high-quality education. Since the 1970s, the state has taken deliberate steps through legislative and legal reform to reduce funding disparities and ensure that resources are distributed so that students with greater needs receive additional support. Yet a long-standing feature of the state's education finance system continues to undermine these equity goals: Districts with local property tax revenue above the state-calculated Local Control Funding Formula (LCFF) target—or *basic aid districts* (also called "community-funded" or "excess-tax" districts)—are allowed to retain their extra revenues, an advantage not available to most districts.

Basic aid districts represent about 15 percent of districts and 5.5 percent of students in California. Some basic aid districts generate significantly more revenue per pupil than their traditionally funded peers. (Note: For simplicity, this report refers to traditionally funded districts as "LCFF funded.") This disparity leads to substantial gaps in school funding and, ultimately, advantages in expenditures on teacher salaries.

However, not all basic aid districts experience the same level of outsized benefits. Many are in modest- to low-income communities that generate high property taxes from agricultural, industrial, or commercial parcels. Many of these basic aid districts barely exceed the qualification threshold, and their per-pupil funding is more comparable to LCFF-funded districts.

Within this diverse group, a small subset stands out: 50 basic aid districts that both serve relatively low percentages of high-need students and generate substantial excess property tax revenue. These "excess advantage" districts generated about $1.15 billion in excess revenue in school year 2023–24, accounting for the vast majority of the $1.3 billion in excess revenue generated by basic aid districts. Despite serving just 2.5 percent of California's total TK–12 student population, excess advantage districts' financial power and demographic profile make them critical outliers, capable of outcompeting other districts, especially when it comes to educator compensation.

Defining Excess Advantage Districts

Excess advantage describes a set of basic aid districts in 2023–24 that both served relatively low percentages of unduplicated pupils (e.g., students from low-income households, English learner students, students in foster care) and generated $5,000 or more per pupil in excess local property tax revenue. The term *excess advantage* signals districts' financial position relative to their neighbors and does not suggest that high per-pupil funding is inherently problematic. Excess advantage also highlights how these districts' ability to generate and spend substantial local tax revenue creates funding disparities that diverge from California's long-standing commitment to equalizing educational opportunities through LCFF and school finance reform.

Through an analysis of revenue data, staffing information, and local context, this report describes the scale and nature of the disparities between basic aid and LCFF-funded districts. This report explores how basic aid status interacts with factors such as geography, enrollment size, and community wealth, and it categorizes districts to identify which are truly "overfunded" relative to their peers. By doing so, this report highlights how California's current funding framework allows a small subset of districts to accumulate significant financial advantages disconnected from student need in ways that shortchange neighboring districts. Finally, the report outlines a range of statewide policy solutions to address disparities created by districts' basic aid status.

Excess advantage districts generated about $1.15 billion in excess revenue in school year 2023–24. Despite serving just 2.5 percent of California's total TK–12 student population, excess advantage districts' financial power and demographic profile make them critical outliers, capable of outcompeting other districts, especially when it comes to educator compensation.

Methodology

To increase awareness of California's basic aid policy (particularly among state policymakers, education leaders, advocates, and the news media), this report analyzes basic aid districts as a whole while highlighting a subset of these districts that experience outsized benefits due to resource disparities. Because basic aid has received limited research attention since the enactment of LCFF in 2013—a policy that significantly reshaped California's TK–12 funding system—this report investigates how basic aid districts compare to others in per-pupil revenue and on resource-related indicators such as staffing ratios, salaries, and teacher qualifications. The analysis is based on a descriptive review of publicly available data, extensive desk research, and ten interviews with California school finance experts and district leaders. The following data sources were used.

- **District financial data sources:** California Department of Education (CDE) statewide LCFF summary data, Standardized Account Code Structure annual financial data, Advance Apportionment Average Daily Attendance (ADA): Section 75.70, LCFF principal apportionment data, and Public Schools and Districts data files
- **Student demographic data:** California Longitudinal Pupil Achievement Data System and Ed-Data
- **Staffing data:** Teaching assignment monitoring outcomes (AMOs) and Ed-Data

Analysis relies primarily on data from 2023–24, and, depending on data availability, longitudinal analysis spans from 2016–17 to 2023–24.[1]

What Is a Basic Aid District?

Understanding California's basic aid districts requires unpacking the twists and turns that state school finance policy has taken over time. The California Constitution has long required the state to provide each school district with "basic state aid" of at least $120 per pupil, or a minimum of $2,400 in total, each academic year.[2] That requirement is the origin of the term *basic aid*, but it is only a small part of the story behind how and why California still has local school finance disparities, despite decades of efforts to increase funding equity among districts.

[1] At the time of publication, teaching AMO data have not yet been released for 2023–24. The analysis uses 2022–23 data.
[2] Section 6 of Article IX of the California Constitution defines the minimum aid level, which has not changed since 1952. California Education Code § 41975 defines this amount as "basic state aid" and specifies that categorical programs count towards this minimum funding level.

Before 1910, California school districts were funded primarily by the state and counties. Local property taxes as a funding source became more common between 1910 and 1940 (Kelly, 2024). By the 1970s, heavy reliance on local property taxes to fund schools created sharp inequities among districts. In *Serrano v. Priest* (1971, 1976, and 1977), the Supreme Court of California ruled this system unconstitutional, in violation of the equal protection clause of the California Constitution, since the same tax rate could generate different levels of funding across districts based on differences in assessed property value (Brunner & Sonstelie, 2006). Before the state could implement its planned power-equalization response, however, voters passed Proposition 13 in 1978, changing the scope of the problem. Proposition 13 capped property taxes and shifted control over property tax allocation from local governments to the state (Ballotpedia, n.d.; Brunner & Sonstelie, 2006). This led to an immediate and substantial statewide decline in funding for school districts (Shires et al., 1998).

To help stabilize funding, the legislature passed Assembly Bill (AB) 8 in 1979, providing fiscal relief for local agencies and establishing a formula for dividing property tax revenues among counties, cities, special districts, and school districts based on their shares in the year after Proposition 13 (Legislative Analyst's Office, 1996). Later constitutional amendments, such as Proposition 1A in 2004, locked many of these statutory arrangements in place (California City Finance, 2007). Together, Proposition 13, AB 8, and subsequent amendments reduced local tax flexibility and entrenched patterns that allowed property-rich communities to generate and retain excess tax revenue (California City Finance, 2023).

In response to steadily declining school funding, voters passed Proposition 98 in 1988, establishing a minimum funding level for California's elementary and secondary schools and community colleges. Each year, the state applies a set of three formulas, known as *tests*, to calculate this guaranteed amount, which is usually around 40 percent of the state General Fund. The specific test that governs funding depends on the state's fiscal conditions and enrollment during that year (Legislative Analyst's Office, 2017).

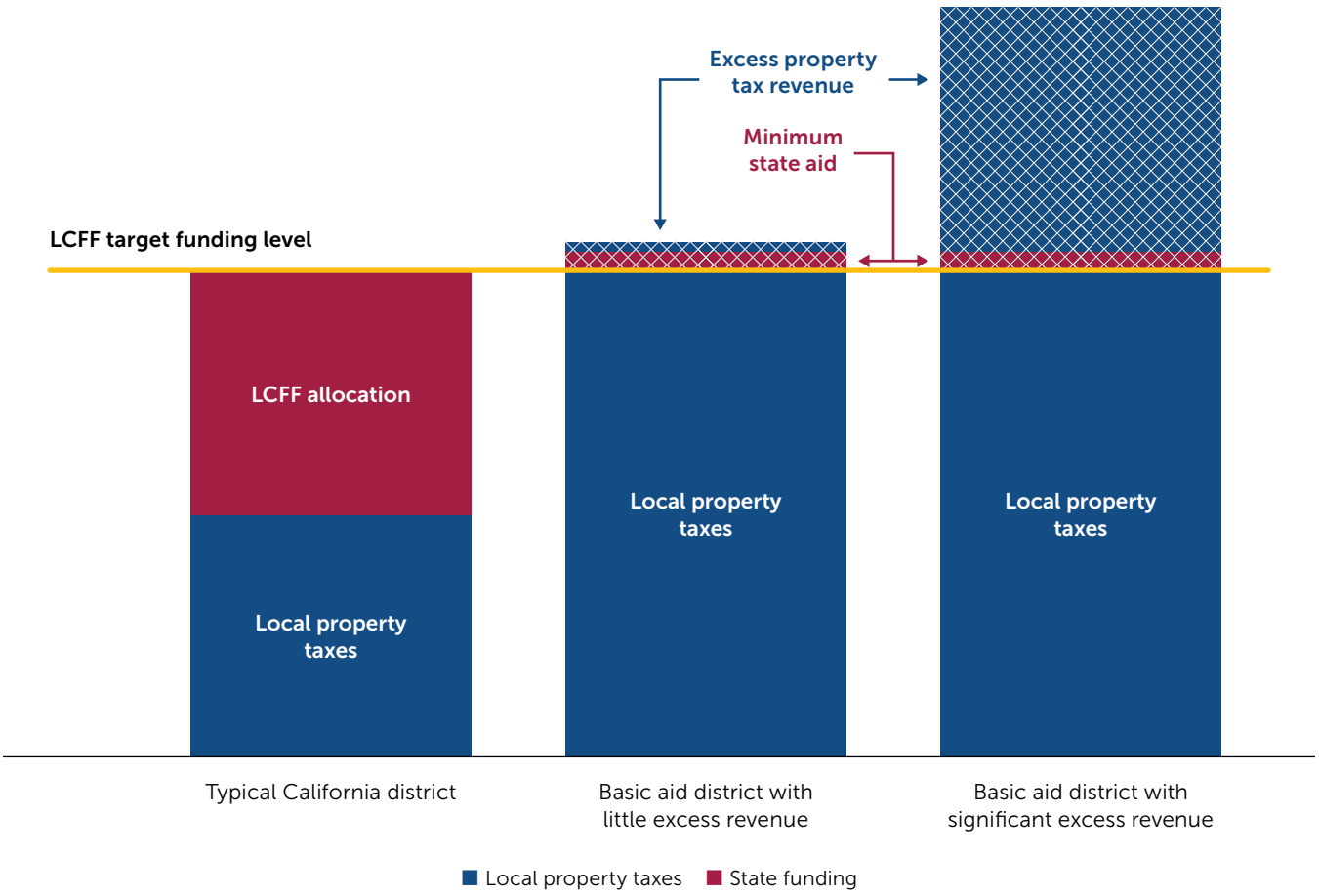
California allocates most of its Proposition 98 funding for TK–12 school districts using LCFF. Under this formula, the state calculates a target entitlement for each district based on a combination of (a) base grants generated by all students, (b) supplemental and concentration grants generated by the number and percentage of unduplicated pupils (e.g., students from low-income households, English learner students, students in foster care), and (c) various add-on grants and adjustments.

The state's LCFF apportionment—the amount paid to each district—is then calculated by first determining the amount of local property tax revenue available in a given district. To that, the state adds minimum state aid (MSA), a hold harmless provision created through the LCFF legislation to ensure that no district receives less state aid than it did from pre-LCFF programs

in 2012–13. If property tax revenues plus MSA are less than the LCFF entitlement, the state makes up the difference. If local taxes plus MSA exceed the LCFF entitlement, the district is considered basic aid (Cal. Ed. Code § 42238.03(e); Legislative Analyst's Office, 2023).

Basic aid districts receive MSA and may receive non-LCFF categorical grants from the state. However, basic aid districts receive no additional state LCFF funding since their local revenues already exceed LCFF targets (Figure 1). Basic aid districts are funded almost entirely through local dollars. For this reason, some call basic aid districts *community funded*, but this is somewhat of a misnomer: all California districts receive local property tax dollars for their schools, with the amount varying from district to district based on local property wealth.

Figure 1. Comparison of Three Hypothetical California Districts with the Same LCFF Target but Different Local Property Tax Revenues



Basic aid districts vary in size, geography, and level of excess tax revenue. A few common operational and policy features distinguish basic aid districts from traditionally funded LCFF districts:

- **Basic aid funding is not tied to enrollment.** Because they do not receive state aid based on ADA, basic aid districts are often less concerned with declining enrollment, since a loss of students does not lead to a loss in dollars.[3] Basic aid districts with shrinking enrollment can more easily maintain their operational models, including staffing, and allow school and class sizes to contract as fewer students enroll. At the same time, the funding model creates disincentives for basic aid districts to accept new students. This includes both out-of-district students and, more recently, students at the TK grade level. Since basic aid districts do not receive additional state aid for each student, some see the state's universal TK requirement as an unfunded mandate.[4] However, California's Mandate Commission adopted a decision that denied this claim in May 2025 (Commission on State Mandates, 2025; Hill & Lawton, 2025).
- **Basic aid districts' revenue growth is driven by property taxes.** Basic aid districts must project revenues based on assumptions about assessed-value growth. While property taxes are usually less volatile than income taxes (Auxier et al., 2020), which underpin most state funding for schools, some basic aid district leaders say they are hard to predict. Other leaders, however, report being able to predict them with reasonable accuracy. California's Fiscal Crisis and Management Assistance Team provides tools to help districts estimate LCFF revenues, but some basic aid districts say these tools are less relevant to them, since they lack guidance on estimating assessed values. Both because of this revenue uncertainty and to help manage cash flow—given that property taxes are not transferred to districts as frequently as state funds—some basic aid districts hold larger reserves than other school districts.
- **Basic aid districts receive Education Protection Account (EPA) funds as add-ons.** Created in 2012 by Proposition 30 and extended through Proposition 55 in 2016, the EPA provides at least $200 per pupil from state income tax revenues each school year.[5] For most districts, EPA counts towards LCFF targets, but basic aid districts receive this funding on top of their targets (Legislative Analyst's Office, 2023).

Despite these differences and limited reliance on state aid, basic aid districts must follow all state laws and regulations governing TK–12 education. For example, they are held to the same accountability provisions as LCFF-funded districts, including the requirements that they complete a Local Control and Accountability Plan, demonstrate how they are using their funds to increase or improve services for unduplicated students, and make progress towards the priorities and indicators outlined in the state's accountability system.

[3] ADA is the average number of students actually attending school each day over the course of the school year and is the primary measure used to determine most state funding allocations to districts.
[4] AB 1391 was introduced in 2025 to address this concern, but as of the time of publication, it has not advanced.
[5] Proposition 30 increased both sales and income taxes. With Proposition 55, the increases in income taxes were extended through 2030 while the sales taxes were phased out.

Key Findings

Major patterns emerge in a comprehensive analysis of basic aid districts across California. While serving a small share of students, these districts generate substantial excess property tax revenues that often mean higher per-pupil spending, higher teacher salaries, and smaller class sizes. Specifically, a subset of 50 excess advantage districts examined across the state—districts with high excess revenues and low percentages of high-need students—capture a disproportionate share of these financial benefits and often outcompete neighboring districts for talent and resources. Not only does this deepen regional disparities in education, it also challenges the equity goals at the heart of LCFF.

The Number of Basic Aid Districts Remains Steady, but Their Excess Revenues Are Growing

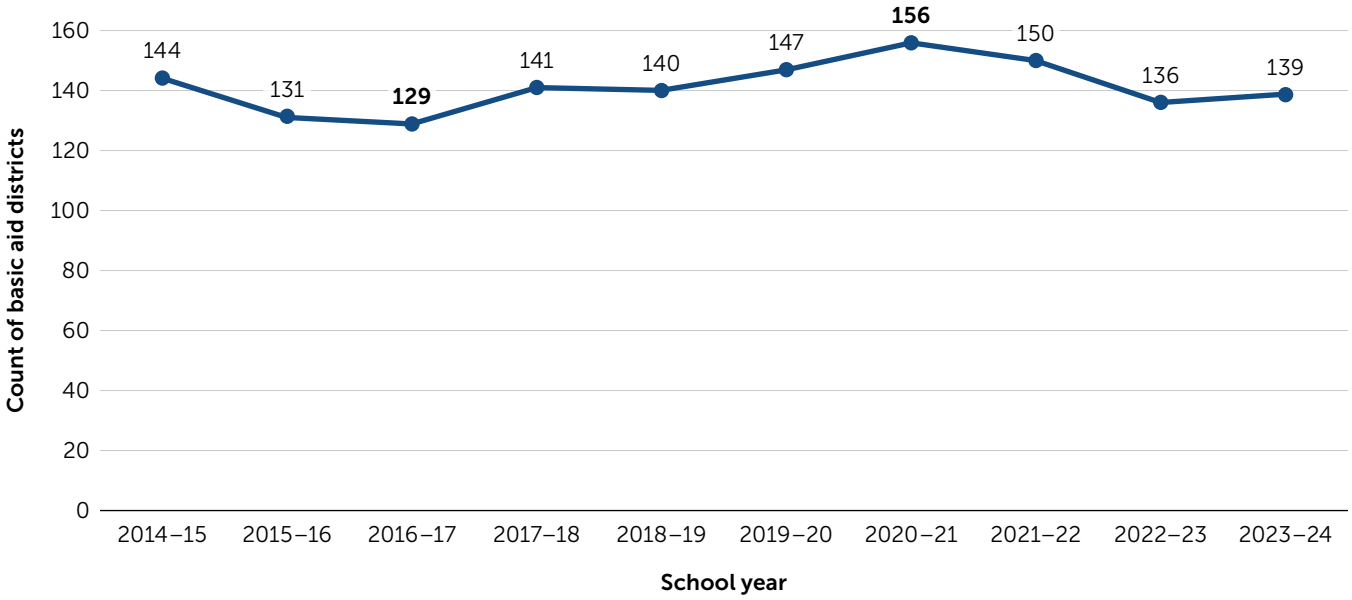
In 2023–24, 139 districts were identified as basic aid by CDE (see the Appendix for a full listing of these districts).[6] These districts served approximately 280,000 of California's roughly 5 million TK–12 public school students (5.5 percent).[7] The number of basic aid districts depends on the interaction of local property assessments, state revenues, and district enrollment—factors that together determine whether a district's local property taxes exceed its LCFF entitlement in any given academic year. During the time frame studied in this report, the number of basic aid districts ranged from a low of 129 in 2016–17 to a peak of 156 in 2020–21, before declining to 139 in 2023–24 (Figure 2).

Despite the state's commitment to equity through the LCFF, local property wealth is still driving significant advantages in funding (regardless of student need) that particularly influence districts' purchasing power when it comes to staffing.

[6] This analysis uses the state's basic aid flag as "truth," considering a district to be basic aid if its property tax revenue plus MSA exceeds its LCFF entitlement—a definition used for determining a district's eligibility to receive supplemental property taxes and local Educational Revenue Augmentation Funds (see California Department of Education, cde.ca.gov/fg/aa/pa/advtaxltr23.asp, and Cal. Revenue and Taxation Code § 75.70 and § 95). Most of the analyses in this report, however, only look at excess tax separate from MSA to isolate the effects of local property tax.

[7] This report uses ADA as a proxy for student count, even though ADA is typically lower than actual enrollment.

Figure 2. Number of California Basic Aid Districts Over Time



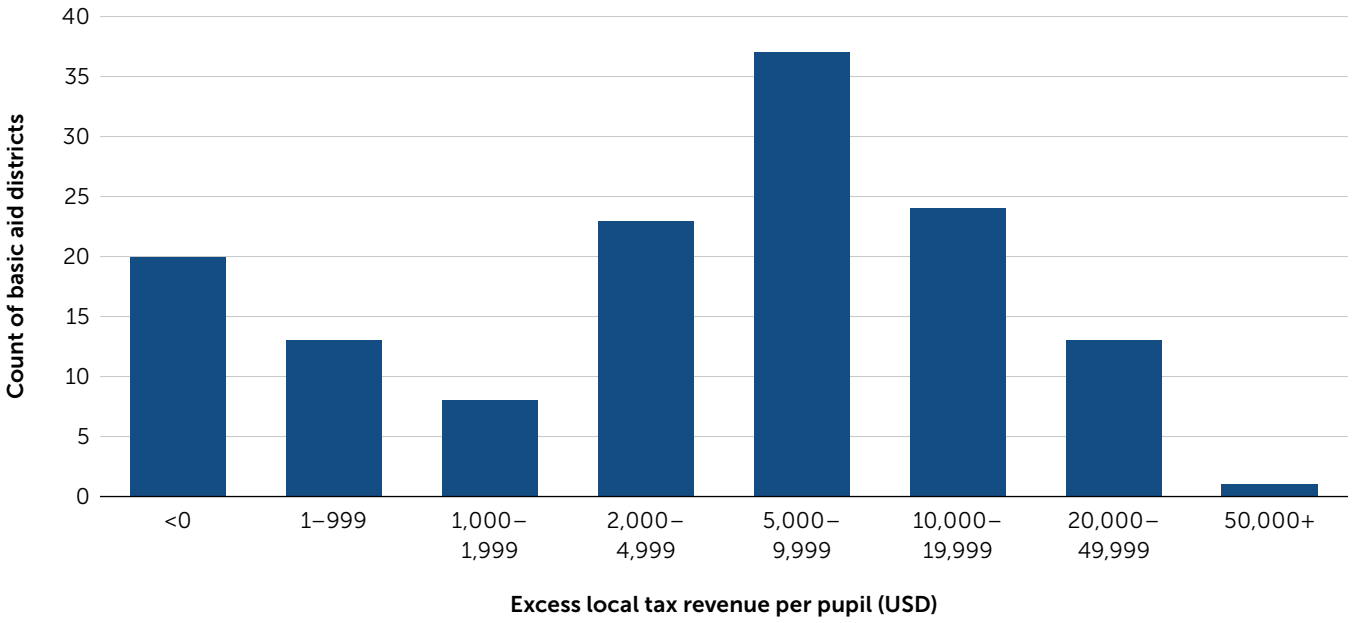
Sources. CDE statewide LCFF summary data and Advance Apportionment ADA: Section 75.70.

Although the number of basic aid districts has remained relatively consistent since 2014–15, the total amount of excess local revenue per pupil in those districts has increased by 41 percent over the past 5 years (or 17 percent when adjusted for inflation). This suggests that while a similar number of districts are basic aid, those districts are generating significantly *more* excess local revenue than in the past. Total LCFF funding per pupil has also grown during that same time frame but not at the same rate—it has increased by 25 percent over the past 5 years (or 4 percent when adjusted for inflation). This discrepancy points to assessed property values growing faster than the state income and sales taxes that fuel LCFF. Basic aid districts are seeing their local tax surpluses grow more quickly than overall state funding, widening the resource gap between property-rich districts and those that depend more heavily on state aid.

Most basic aid districts benefit from additional revenues. In 2023–24, California's 139 basic aid districts collectively generated $1.3 billion in excess local property tax revenue, equivalent to $4,776 more per pupil in those districts.[8] However, the amount of excess varied considerably across districts (Figure 3). Just over one quarter (38) of these basic aid districts generated $10,000 or more per pupil in excess revenue, with some far exceeding that level. For example, Desert Center Unified, a district with an ADA of 24 and the only basic aid district in Riverside County, generated the most excess revenue per pupil, at almost $57,000.

[8] This report uses *per pupil* interchangeably with *per ADA*.

Figure 3. Distribution of California Basic Aid Districts' Per-Pupil Excess Tax Revenue, 2023–24



Sources. CDE statewide LCFF summary data and Advance Apportionment ADA: Section 75.70.

Note. Weighted averages; excess revenue excludes MSA; with MSA, fewer districts would have excess revenues <0.

On the opposite end of the spectrum, 20 districts generated no funding above their LCFF entitlements, teetering close to the edge of basic aid status. These districts are likely basic aid because MSA and/or other one-time revenue bumps put them over the threshold. Examples of districts like this include Santa Clara County's San Jose Unified, with $36 in excess local revenue per pupil when MSA is accounted for but -$1,388 when MSA is excluded; and Contra Costa County's Acalanes Union High School District, with only $71 in excess local revenue per pupil with MSA and -$411 when MSA is excluded. These on-the-cusp districts may fluctuate between basic aid and LCFF-funded status over time as they experience minor changes in their property taxes and enrollments. For these districts, LCFF acts like a financial cushion. If the district's property tax revenues were to decline, total funding would not fall far before being caught by the LCFF minimum.

Despite this variance, basic aid districts overall had higher per-pupil revenues—and corresponding expenditures—than their traditionally funded district peers. While LCFF-funded districts' General Fund revenues were approximately $21,000 per pupil, basic aid district revenues were more than $4,000 higher, at almost $25,100 per pupil in 2023–24.[9]

[9] All averages presented in this report, when applicable, are weighted by ADA to account for differences in district size and ensure more accurate comparisons between groups.

Basic aid districts are smaller and enroll fewer high-need students than other districts. Basic aid districts exist throughout California and vary in their characteristics. Compared to other districts, though, basic aid districts are more likely to be elementary school districts, to be located in rural settings, to serve fewer than 1,000 students, and to have fewer unduplicated students (Table 1). These districts look different than many California districts because basic aid status is simply a matter of how the state's funding formula interacts with property wealth.

Table 1. Distribution of California Basic Aid Districts by Type, Locale, Size, and Unduplicated Population

District characteristics		Basic aid districts (percentage)	LCFF-funded districts (percentage)
District type	**Elementary**	**64**	**54**
	High school	10	8
	Unified	26	39
District locale	City	17	15
	Rural	**47**	**39**
	Suburb	27	29
	Town	9	17
District size (as measured by average daily attendance)	**Tiny (<99)**	**29**	**9**
	Extra small (100–999)	**33**	**30**
	Small (1,000–4,999)	27	31
	Medium (5,000–14,999)	10	19
	Large (15,000–24,999)	1	7
	Extra large (25,000+)	0	4
District unduplicated pupil (percentage)	**0–30**	**36**	**11**
	31–55	**28**	**24**
	56–75	24	26
	76–100	12	38

Sources. CDE statewide LCFF summary data, Advance Apportionment ADA: Section 75.70, CALPADS, Ed-Data, and National Center for Education Statistics (NCES) locale classifications.

Enrollment size, local property wealth, and geography all influence both the likelihood that a district will enter basic aid status and the magnitude of excess property tax revenue it generates.

Enrollment size matters. Basic aid districts are more likely to be elementary districts and slightly more likely to be high school districts compared to other districts statewide. Elementary and high school districts tend to be smaller than unified districts, and smaller enrollments make it easier for property tax revenues to exceed LCFF targets on a per-pupil basis. Most basic aid districts have fewer than 1,000 students, with those serving fewer than 100 students generating the highest excess revenue—more than $10,000 per pupil, on average.

Local wealth matters. Property values are a key driver of property tax revenue, and wealthy communities tend to have more expensive real estate. This is why many basic aid districts are in the affluent suburban and coastal communities throughout California that tend to serve fewer high-need students. Because LCFF provides more funding to districts with higher unduplicated populations, districts with fewer students from low-income households have lower LCFF targets, making it easier for their local property tax revenues to exceed their targets. In 2023–24, the unduplicated pupil percentage in basic aid districts was 38 percent, compared to 69 percent in LCFF-funded districts.

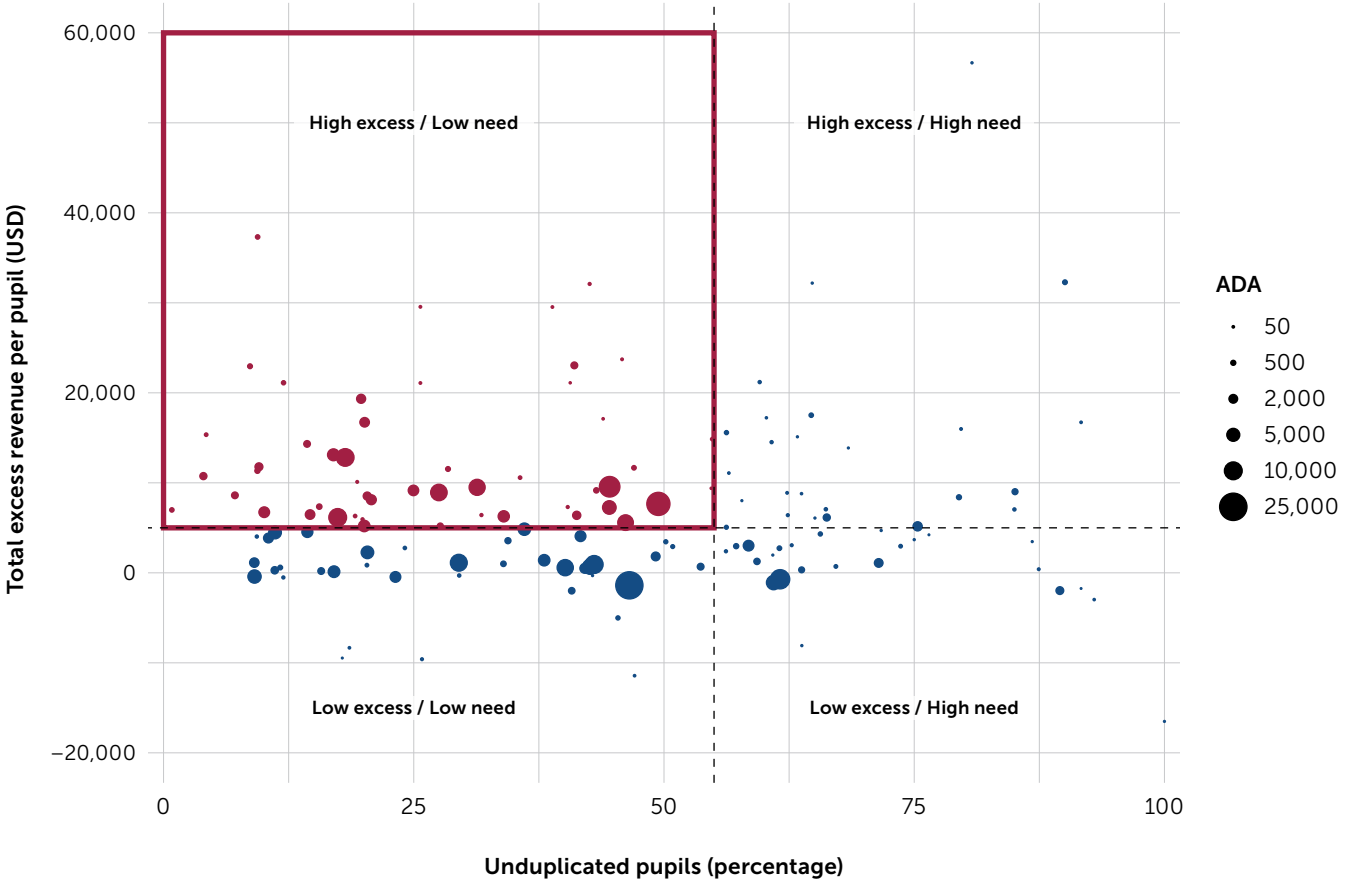
Geography matters. Basic aid districts are spread across 32 of California's 58 counties and are concentrated in property-rich regions such as the Bay Area and Central Coast as well as in rural parts of the Sierra Nevada and desert regions. Suburban basic aid districts reported the highest excess per-pupil revenue at nearly $6,000 per pupil, reflecting the combination of strong property tax bases and relatively low enrollment in many of these communities. But basic aid status can also arise in rural or sparsely populated areas where even modest property tax revenue exceeds LCFF funding due to very low ADA. In other cases, high-value industrial, oil-producing, or agricultural parcels help drive excess property tax revenue, even in communities that are not affluent. For example, Kern County's McKittrick Elementary District has an ADA of just 64 students and an unduplicated population of 46 percent, yet it generates significant property tax revenue from oil fields (County of Kern, 2025).

A Small Set of Districts Drives Significant Inequities

As the descriptive data provided in the previous section demonstrate, basic aid districts across California are not a monolith. They are diverse across several dimensions, including wealth and student needs. To isolate those districts experiencing outsized benefits, this report sorts basic aid districts into four distinct categories based on level of excess revenue per pupil and percentage of unduplicated pupils. To identify districts with significant excess revenue, a cut point was set at $5,000 or more per pupil. This threshold, though it carries limitations, may indicate substantial and sustained property wealth, a significant departure from the equity intent of LCFF,

and the ability to fund programs or staff well beyond what is typical in California. To identify districts with fewer student needs, a cut point was set at 55 percent: the threshold above which districts can generate concentration grants under LCFF. This two-by-two categorization elevates a subset of high-excess, low-need basic aid districts statewide or, as this report refers to them, excess advantage districts (Figure 4).

Figure 4. Categorization of California Basic Aid Districts by Unduplicated Pupils and Excess Per-Pupil Revenue, 2023–24

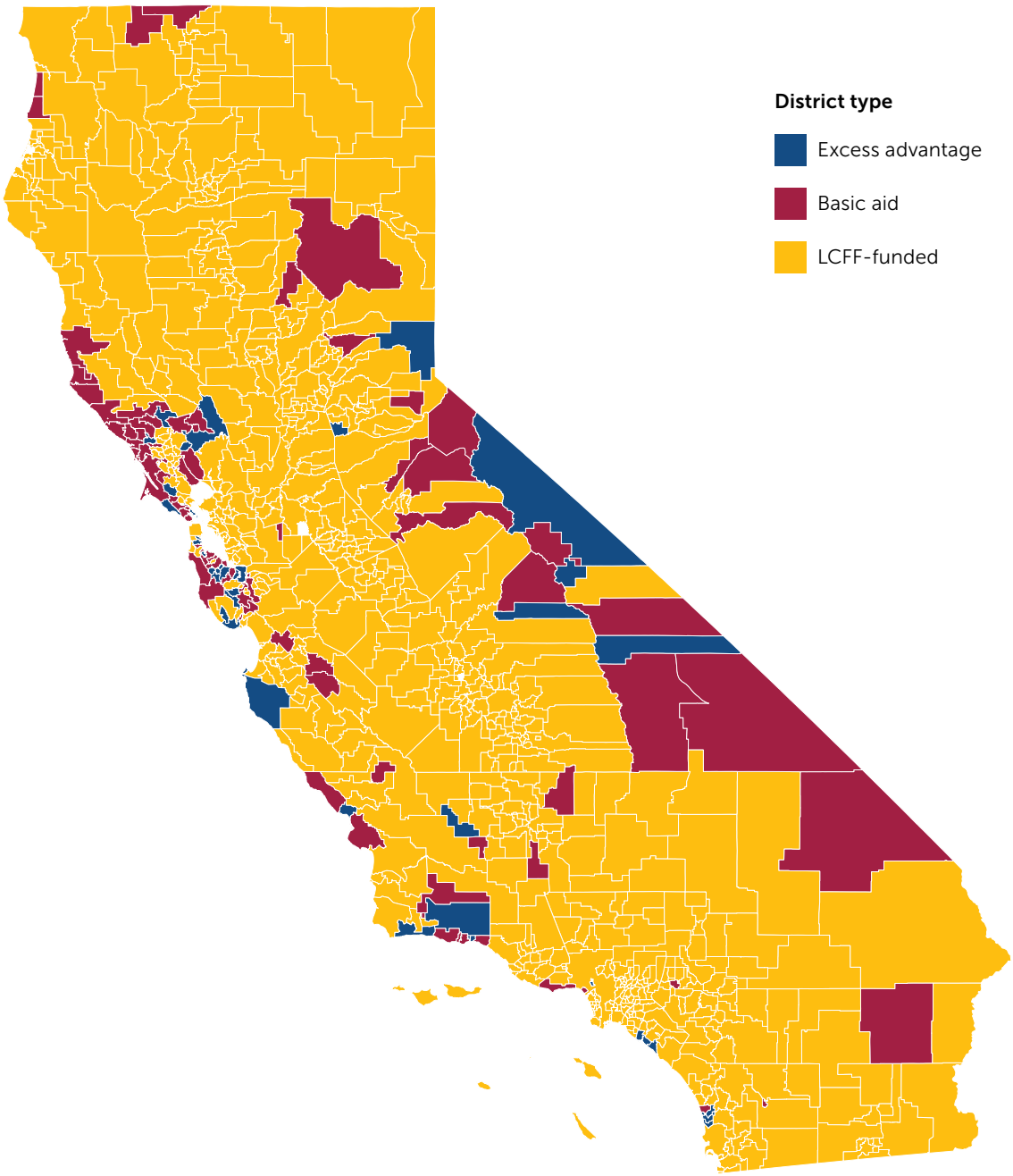


Sources. CDE statewide LCFF summary data, Advance Apportionment ADA: Section 75.70, CALPADS, and Ed-Data.

Note. Excess revenue excludes MSA.

In total, 50 basic aid districts met these criteria in 2023–24 (see the Appendix for a list of these districts), although the number of high-excess, low-need basic aid districts will likely change every year. Spread across 19 counties—with most located in San Mateo (nine districts), Santa Clara (eight districts), Santa Barbara (five districts), San Diego (four districts), and Marin (four districts) Counties—these districts alone accounted for $1.15 billion in excess local revenue, 87 percent of the $1.3 billion in excess generated by basic aid districts as a whole (Figure 5).

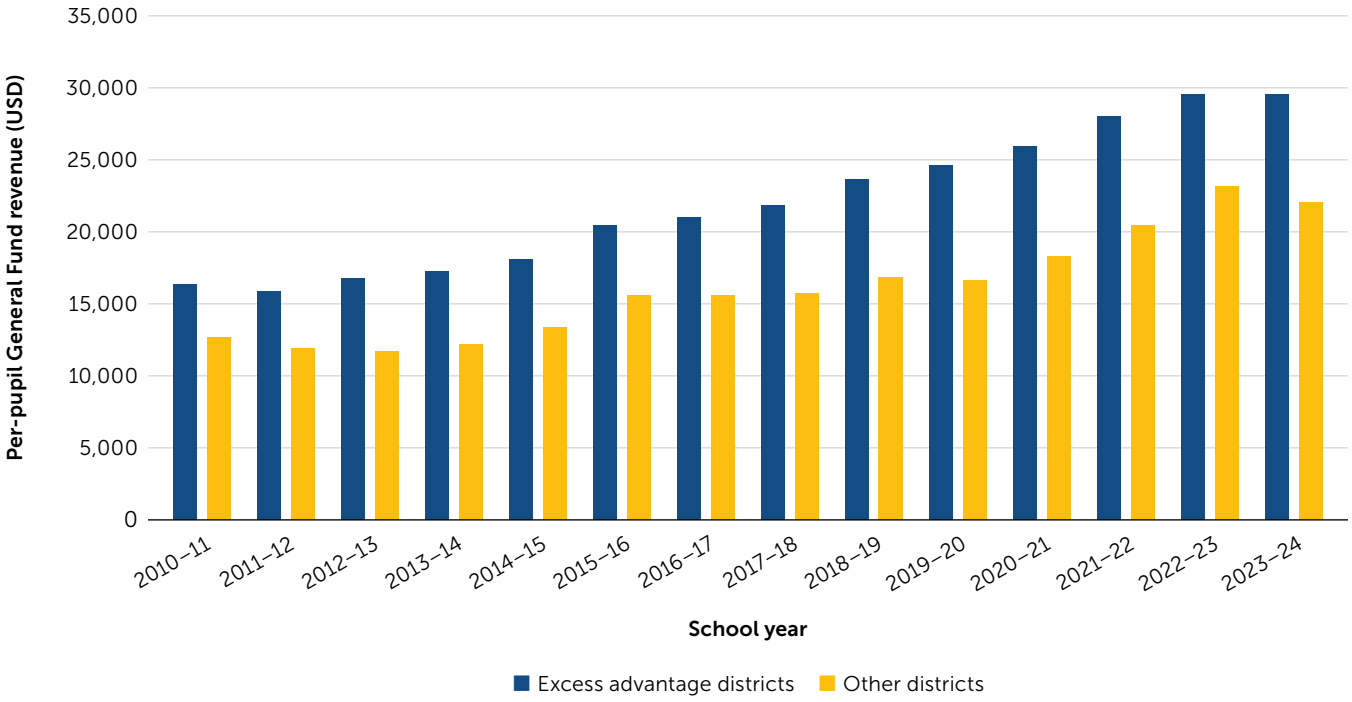
Figure 5. California TK–12 School Districts by Basic Aid Status



Sources. CDE statewide LCFF summary data, Advance Apportionment ADA: Section 75.70, Ed-Data, and NCES geocodes.

These excess advantage districts generated $9,237 per pupil in excess revenue in 2023–24, and their excess revenues have been growing over time, rising 37 percent since 2019–20. Over the past 14 academic years, these excess advantage districts have consistently outpaced all other districts in inflation-adjusted per-pupil General Fund revenue, widening the gap (Figure 6).

Figure 6. Per-Pupil General Fund Revenue in Excess Advantage Districts Compared to Other Districts



Sources. CDE statewide LCFF summary data, Advance Apportionment ADA: Section 75.70, and Ed-Data.

Note. This analysis uses 2023–24 high-excess, low-need basic aid districts as a comparison for each year. Inflation is school-year adjusted.

Although revenue growth in non-excess advantage districts is more volatile and has occasionally outpaced the growth in excess advantage districts, these fluctuations have not been sufficient to close the disparity.

Excess advantage basic aid districts experience outsized benefits due to their excess revenue. Compared to all other basic aid districts and to LCFF-funded districts, excess advantage districts generated higher revenues per pupil and employed more fully qualified and appropriately assigned status—or "clear" status[10]—and higher compensated teachers (Table 2). This additional revenue generation may lead to teacher-workforce advantages as excess advantage districts outcompeted every comparison group on teacher-related metrics. This was especially true for salaries. Average teacher salaries in excess advantage districts were $27,000 higher compared to

[10] Clear status indicates a teacher who is both fully prepared (having completed all necessary subject matter training) and appropriately assigned, ensuring that they teach the students and the content area for which they're credentialed (CDE, 2024b; EdTrust-West, 2025).

non-excess advantage basic aid districts and LCFF-funded districts.[11] Compared to other districts, excess advantage districts were more likely to employ fully credentialed and appropriately assigned educators. Excess advantage districts also had the smallest class sizes across all district types.

Table 2. Comparative Analysis of California TK–12 Districts' Advantages, 2023–24

District type	Number of districts	Average daily attendance	Average General Fund revenues per pupil (USD)	Average excess revenue per pupil (USD)	Average teacher salary (USD)	Clear full-time equivalent (percentage)	Student-to-teacher ratio
Basic aid							
All basic aid districts	139	276,084	25,079	4,776	113,486	87.8	19:1
Excess advantage basic aid districts <=55 percent unduplicated, >=$5,000 excess local revenue per pupil	**50**	**124,554**	**28,137**	**9,237**	**127,930**	**90.3**	**18:1**
Other basic aid districts	89	151,530	22,566	1,110	100,696	85.8	19:1
LCFF funded							
All LCFF-funded districts	787[a]	4,706,671	20,940	N/A	100,729	86.1	21:1
Lower need LCFF districts <=55 percent unduplicated	277[b]	1,335,299	16,645	N/A	100,546	88.4	22:1
Higher need LCFF districts >55 percent unduplicated	514[c]	3,371,372	22,641	N/A	100,752	85	21:1

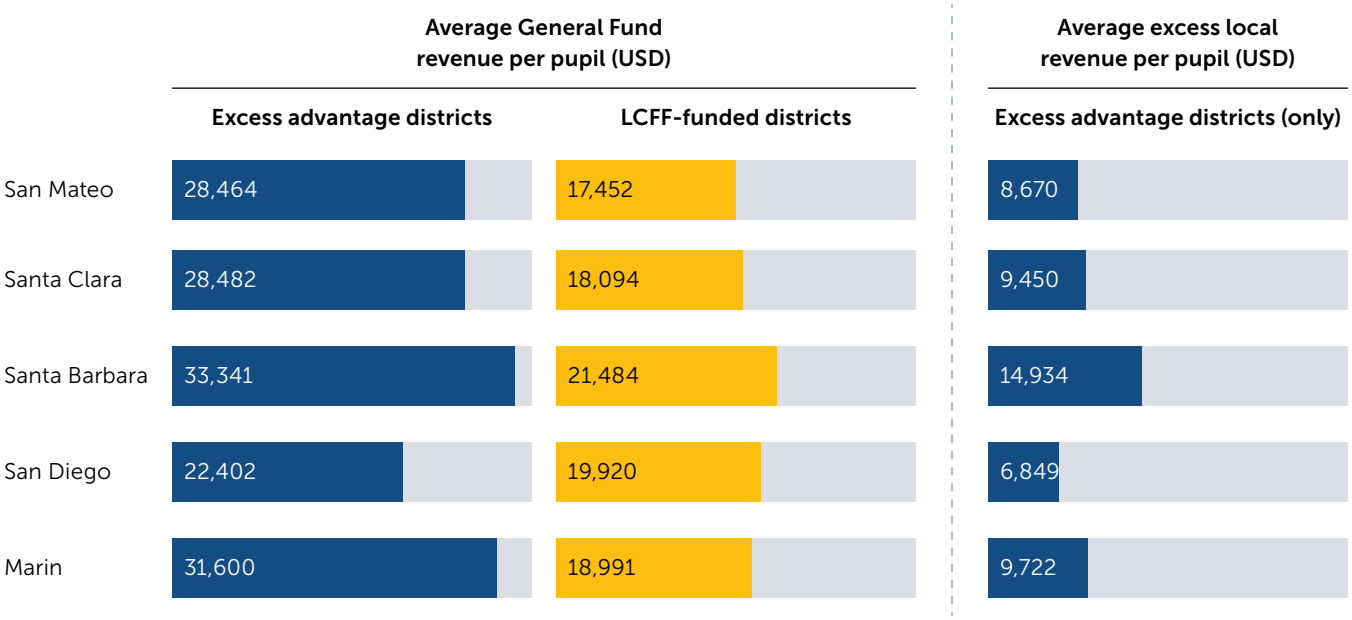
Sources. CDE statewide LCFF summary data, Advance Apportionment ADA: Section 75.70, CALPADS, Ed-Data, and AMO.

Note. Weighted averages; excludes districts where two or more variables are missing. [a] Without exclusions, n = 798. [b] Without exclusions, n = 280. [c] Without exclusions, n = 518.

[11] In addition to salary, benefits are an important part of an educator's compensation. This analysis did not touch on benefits, such as health insurance and leave policies, that may lead a prospective candidate to choose one district over another.

Excess advantage basic aid districts outcompete their neighbors when it comes to attracting qualified educators. Teacher-workforce advantages were especially apparent when comparing excess advantage districts to other districts in their counties, whether they were basic aid or LCFF-funded districts. Even for other basic aid districts, proximity to an excess advantage neighbor often makes it difficult to attract and retain quality staff because salaries are often lower than in neighboring high-excess, high-wealth districts. Counties with the highest prevalence of excess advantage districts, including San Mateo, Santa Clara, Santa Barbara, San Diego, and Marin, may experience the starkest differences between excess advantage basic aid districts and all other districts when it comes to excess revenue and the purchasing power it holds (Figure 7).

Figure 7. Comparison of Per-Pupil Revenues in the Five California Counties With the Most Excess Advantage Districts

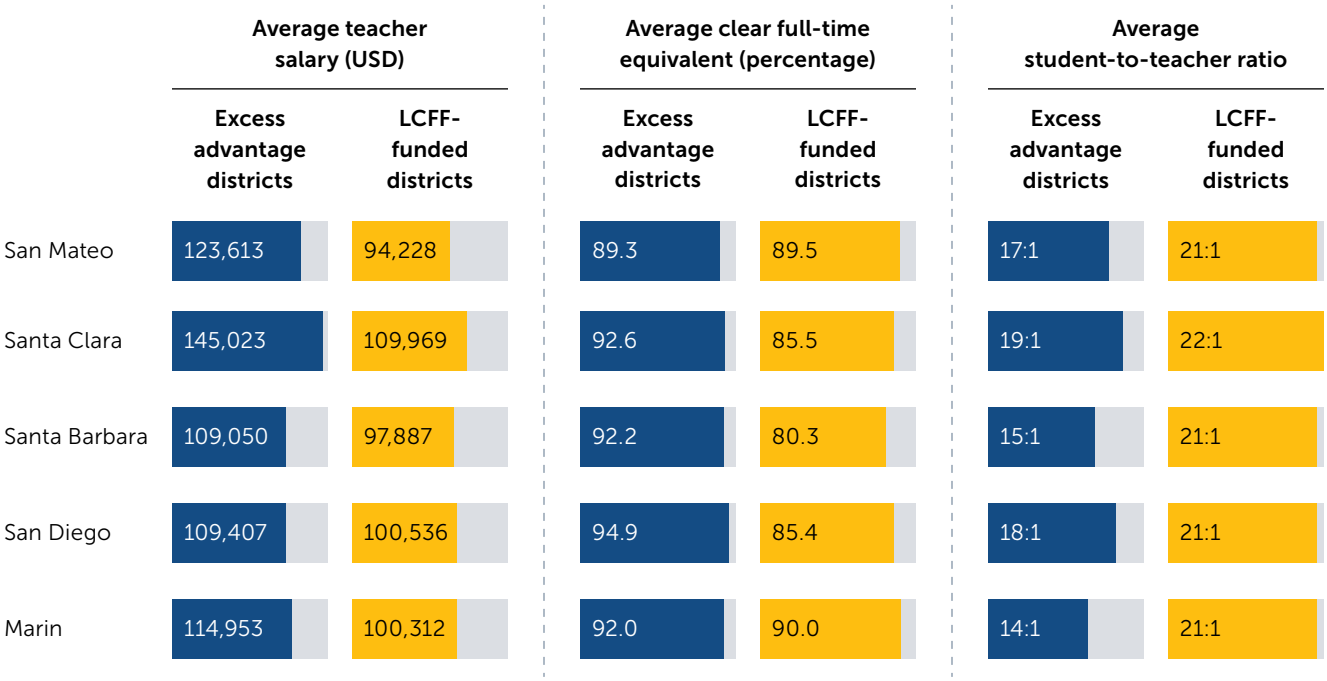


Sources. CDE statewide LCFF summary data, Advance Apportionment ADA: Section 75.70, CALPADS, Ed-Data, and AMO.

Note. Weighted averages; excess revenue excludes MSA.

In Santa Clara County, for example, there are substantial disparities in per-pupil funding among districts. The county's eight excess advantage districts generated over $10,000 *more* in per-pupil General Fund revenue compared to the county's 15 LCFF districts. This translates into differences in teacher salaries and likely influences student supports and instructional opportunities. Excess advantage districts in Santa Clara County had average teacher salaries that were $35,000 higher than the county's LCFF districts. Excess advantage districts also had higher percentages of fully credentialed educators and smaller class sizes compared to their LCFF-funded neighbors (Figure 8).

Figure 8. Comparison of Teacher-Workforce Characteristics in the Five California Counties With the Most Excess Advantage Districts



Sources. CDE statewide LCFF summary data, Advance Apportionment ADA: Section 75.70, CALPADS, Ed-Data, and AMO.

Note. Weighted averages; FTE = full-time equivalent.

Excess advantage districts also outcompete other basic aid districts. For example, San Jose Unified School District (SJUSD) leaders report that, despite the district's basic aid status, it loses educators and administrators to other Santa Clara County districts within driving distance that offer higher salaries—a recruitment challenge that may leave classrooms staffed by underqualified teachers. In SJUSD, 85 percent of teachers were fully credentialed, as compared with nearby Campbell Union School District, where 100 percent of teachers were fully credentialed.

These patterns are not unique to Santa Clara County. In San Mateo County, the gap in average teacher salaries between excess advantage and LCFF districts is more than $29,000. Similar dynamics exist in Santa Barbara, Marin, and San Diego Counties. Even within the same cost-of-living and housing markets, LCFF-funded districts must compete with neighboring districts that have far greater fiscal capacity due to high excess local property tax revenue. These gaps make competition for teachers and staff uneven; excess advantage districts can offer higher pay to teach smaller class sizes. This disparity creates challenges for LCFF-funded districts that may struggle to recruit and retain high-quality educators despite serving student populations with higher needs.

California's Excess Advantage Districts Contradict the State's School Funding Principles

This report's analysis of excess advantage basic aid districts reveals a contradiction at the heart of California's school funding system: Despite the state's commitment to equity through the LCFF, local property wealth is still driving significant advantages in funding (regardless of student need) that particularly influence districts' purchasing power when it comes to staffing. Yet not all basic aid districts are the same. While some basic aid districts serve high-need students in communities with limited wealth, the excess advantage districts generated more than $1 billion in excess revenue and reaped corresponding benefits. With this additional revenue, excess advantage districts can offer substantially higher teacher salaries, giving them a competitive advantage in attracting experienced, credentialed educators—often at the expense of neighboring districts.

Basic aid districts, particularly the excess advantage districts, also tend to enjoy additional benefits that have little to do with the basic aid policy specifically. Many basic aid districts with high property wealth, particularly those in the Bay Area, have also passed parcel taxes, which are additional flat taxes imposed on parcels of land. Basic aid districts also have higher bonding capacity, which allows them to invest in more new construction and facility modernization. Many basic aid districts are also in high-income areas; high-income communities are more likely to generate additional local funds from community foundations, parent contributions, and other local sources (Arsenault et al., 2013; Brown et al., 2017; Schultz, 2025).

These advantages, although concentrated in a relatively small number of local communities across California, have statewide implications. Because they do not rely on state LCFF dollars, excess advantage districts are largely insulated from prominent challenges affecting other districts in the state, such as declining enrollment, staffing shortages, and school closures. Further, the structure of California's school finance system creates little incentive for these districts to advocate for adequate state funding since most of their funding is from local sources.

Policy Considerations and Solutions

California policymakers, school system leaders, and advocates have five options to reduce disparities caused by basic aid—particularly those perpetuated by excess advantage districts. Pros and cons exist for each policy option, which can be considered when evaluating solutions against various goals the state may have related to resource disparities.

Option 1: Require Some Districts to Consolidate or Share Services Regionally

California could require or strongly incentivize small districts to consolidate or share services. Many basic aid districts across the state—particularly excess advantage districts—serve small, narrowly defined areas within larger metropolitan areas, with district lines effectively restricting resources to relatively advantaged enclaves. This creates sharp cliffs in funding and disparities in salaries and services across district borders, even when areas are compact enough for students and families to easily travel across those dividing lines.

In rural parts of the state, districts may be too geographically dispersed for consolidation to be feasible. Regardless, California could incentivize resource and service sharing across borders to promote efficiency and access to a broader range of opportunities for all students living in rural regions. For instance, researchers have found that rural districts can gain fiscal and operational efficiencies by sharing administrative personnel, professional development, food services, transportation, and more (Rasmussen & Tate, 2020). Many states have encouraged consolidation and collaboration through incentive grant programs (New Jersey Department of Community Affairs, 2025; New York Department of State, n.d.; Wisconsin Department of Public Instruction, n.d.).

Pros

- Consolidation could improve efficiency and decrease costs by streamlining operations, reducing administrative redundancies, and pooling resources.
- Consolidation could promote more equitable funding by spreading the tax base across a larger geographical area.
- State-driven efforts could support district leaders who are struggling to build local consensus around consolidation.

Cons

- Consolidation could foment strong political resistance from communities with a vested interest in maintaining the status quo.
- Consolidation could be logistically complex to initiate and implement.

State examples

- In response to a school finance ruling, **Arkansas** passed a law in 2007 requiring districts with fewer than 350 students to consolidate or be annexed by another district (Southern Regional Education Board, 2018).
- In the early 2000s, **Maine** enacted a law aimed at reducing the number of districts to improve educational opportunities and fiscal efficiency (Fairman & Donis-Keller, 2012).

Option 2: Expand Interdistrict Transfer and Related Choice Policies

To expand access to the resources and services enjoyed by basic aid districts, California could allow more students to attend those districts by expanding interdistrict transfer and choice options. For instance, the legislature could expand the District of Choice program by incentivizing or requiring all basic aid districts—or just excess advantage districts—to accept a minimum number of interdistrict transfer students, particularly from lower income or LCFF-funded districts, in exchange for partial state funding or other fiscal offsets (California Department of Education, 2024a). The Tinsley Voluntary Transfer Program in San Mateo County—established in the 1980s in response to court-ordered desegregation—offers a precedent for how targeted transfers can open access to higher resource schools while preserving district boundaries and autonomy (San Mateo County Office of Education, 2025). The state could encourage participation by offering incentives or a portion of LCFF per-pupil aid for each transfer student from a lower funded neighboring district. Any new program would need to include attention to implementation details like transportation, safeguards to protect against selective admissions, and accountability to ensure that students receive the full services to which they are legally entitled, including disability services.

Pros

- An expanded interdistrict transfer program could build on existing school- and district-choice policies.
- A choice-based strategy avoids reopening funding formulas, recapturing or redistributing basic aid revenues, or redrawing district boundaries or tax areas.

Cons

- LCFF districts may resist transfers to protect per-pupil revenues, especially when experiencing declining enrollment.
- Basic aid districts may perceive new transfer requirements as creating unfunded or underfunded mandates.

State examples

- **Wisconsin** provides a fixed per-pupil funding amount to a receiving school district when an out-of-district student opts in, with higher amounts for students with disabilities. That student's residentially assigned district continues to collect a portion of funding even after the transfer (Smith, 2022; Wisc. Stat. § 118.51, 2024).
- Under the *Sheff v. O'Neill* desegregation settlement, **Connecticut** provides grants and covers transportation costs for interdistrict transfer students. These policies encourage students from lower income and lower spending schools in Hartford to attend higher spending suburban school districts (Brittain et al., 2019).

Option 3: Implement Regional Cost Adjustments

Incorporating regional cost adjustments into the LCFF to better support the so-called "donut" districts—those in high-cost areas that are ineligible for concentration grants but also are not wealthy enough to be a basic aid district receiving ample excess tax revenues—could help districts pay competitive salaries.

Pros

- A regional cost adjustment could reduce the number of borderline basic aid districts—those districts that are just barely basic aid but still struggle to offer competitive salaries and services—and would send more state funding to those places.
- A regional cost adjustment could funnel more state aid to high-cost parts of California, addressing an issue broader than just basic aid. (Importantly, basic aid serves as a safety valve of sorts since districts in high-cost areas that have significant excess property tax would be ineligible for this extra state aid.)

Con

- While districts in high-cost areas may need to pay more to be regionally competitive, many of these districts have access to other social and economic capital in the form of community partnerships, foundations, and expanded learning opportunities that lower cost regions may lack.

State example

- **Florida** adjusts for county cost differences, with lower cost areas in the panhandle region near the Alabama and Georgia borders receiving less state funding and higher cost areas in southern Florida receiving more. This adjustment is made through the state's Comparable Wage Factor, part of its Education Finance Program (Florida Department of Education, 2020, 2024).

Option 4: Provide More State Aid to Lower-Wealth Districts

Rather than leveling down basic aid districts, California could level up other districts. While this would not reduce excess revenue, it would narrow the gap between LCFF districts and their excess advantage peers. There are multiple ways the state could implement this. It could modify LCFF to provide additional funding to districts with less local property wealth rather than relying solely on weights based on student characteristics. This would acknowledge that districts with limited property wealth have fewer resources than property-rich districts. Alternatively, the state could provide additional funding to non-basic aid school districts through an LCFF add-on or a separate categorical program. This is similar to Senate Bill 743, introduced by Senator Dave Cortese during the 2025–26 legislative session, which proposes creating a reserve fund to support non-basic aid districts (Digital Democracy, 2025–2026). Regardless of the approach, California would need to secure more funding by (a) finding new revenue sources (e.g., through new taxes), (b) directing more state funds into education (i.e., spending more than the Proposition 98 minimum guarantee), or (c) eliminating legacy and hold harmless programs (e.g., MSA, Economic Recovery Target, the Targeted Instructional Improvement Program) or categorical grants, freeing up those funds to be redirected into LCFF.

Pros

- If the state were to identify new resources, it could improve education funding adequacy by increasing the total funding available to TK–12 schools.
- If California were to use existing Proposition 98 funds to level up lower-wealth districts, it could improve education funding equity by more fairly distributing state resources.

Cons

- Depending on their design, these policy approaches could add complexity, undermining LCFF's goals of simplicity and transparency.
- Investing more in LCFF-funded districts fails to address the issue of extreme surplus revenues in the excess advantage districts, whose property values could continue to rise, perhaps even widening gaps if assessed values rise faster than state investments.

State example

- Enacted in 2021, **Ohio's** Fair School Funding Plan allocates more state funding to districts with less local fiscal capacity. It measures capacity using property valuation per pupil (60 percent) and resident income (40 percent), accounting for both property wealth and household income (Fair School Funding Plan, n.d.; Ohio Education Policy Institute, 2024).

Option 5: Capture and Redistribute Some or All Excess Property Taxes

California could capture excess property tax revenue and redistribute it statewide or within counties. The bluntest approach would be for the state to collect some or all of the $1.3 billion in excess revenues and allocate it to LCFF or other statewide programs. Former Governor Gray Davis's even more aggressive proposal in the early 2000s—to use recaptured revenue from basic aid districts to help close the state deficit—faced stiff opposition and ultimately failed (St. John & Walsh, 2003).

But there are other, more nuanced ways California could approach recapture efforts. One way is to pair a recapture policy with tax caps, allowing districts to retain excess revenues up to a specified amount above their LCFF targets. This approach would largely target excess advantage districts, leaving borderline basic aid districts unaffected. A second way is to redirect excess tax wealth from basic aid districts experiencing declining enrollment into a fund to be used for other educational purposes. A third way is for the state to require basic aid districts to dedicate a portion of their excess revenues to countywide priorities (e.g., regional salary equalization, shared programs, educator housing). Finally, California could convert some ongoing categorical grants into LCFF add-ons, effectively requiring basic aid districts to cover those costs with local dollars, thereby reducing state costs and freeing up resources for other, more equitable purposes.

Pros

- Redistributing excess tax revenues would reduce disparities among districts.
- Adopting a county-based approach would align with the regional nature of teacher and staff labor markets, and could be more politically palatable than a statewide approach.
- Redistributing within counties could avoid the need for a constitutional amendment since state law allows for some changes to the distribution of property tax revenues within counties boundaries.

Cons

- Redistribution could be technically and legally fraught since California's Constitution limits the state's ability to change tax allocation and distribution, particularly across counties.
- Redistribution, even of $1.3 billion in excess revenue statewide, might have only a modest fiscal effect—equivalent to increasing funding by about $280 per pupil.
- Recapture would likely face strong opposition from districts with significant excess revenues, since funding reductions could affect school services, property values, and public confidence.

State example

- **Texas** captures "excess" property taxes from wealthy districts and redistributes it to lower-wealth districts (Tex. Ed. Code § 48.257, § 49). Critics say this unfairly penalizes property-wealthy districts, undermines local control, and discourages economic growth (Texas Policy Research, 2024).

Weighing Policy Options

The right basic aid policy solution for California will depend on the specific goals held by policymakers, education system leaders, advocates, and district community members, in combination with an assessment of which solutions may be most politically and fiscally feasible, fiscally advantageous, and likely to improve student opportunities and outcomes. Crosswalking the state's policy options is critical to compare each of the five policy options with three potential state objectives related to resource disparities and to assess the likelihood that each policy option would meet various state objectives (Table 3).

Table 3. Crosswalk: Assessment of How Likely Each Basic Aid Policy Option Is to Achieve Various State Objectives

Policy option	California policy objective		
	Improve fiscal equity between districts	Expand access to resources and services across district boundaries	Reduce labor market disparities across regions
Option 1: Require some districts to consolidate or share services regionally.	Mid	High	Mid
Option 2: Expand interdistrict transfer and related choice policies.	Low	High	Low
Option 3: Implement regional cost adjustments.	Mid	Low	Mid
Option 4: Provide more state aid to lower-wealth districts.	High	Low	Mid
Option 5: Capture and redistribute some or all excess property taxes.	High	Low	Mid

Conclusion

California's commitment to fair funding was reaffirmed with the adoption of LCFF, which was designed to ensure equitable resource distribution for districts based on student needs. However, the persistence of basic aid districts runs counter to this vision. A small number of districts—those that are disproportionately located in higher income, wealthier communities—generates more, and sometimes significantly more, funding than other districts; these revenue disparities have been growing as California property values soar.

This discrepancy should invite scrutiny into not only whether basic aid is misaligned with the goals of LCFF but also whether it may be at odds with the *Serrano* decisions that called for the state to eliminate education-funding disparities caused by differences in property tax wealth. While basic aid has often been seen as a relatively rare quirk of California's funding system, the expansion of revenue gaps and the persistent and tangible differences in staffing it creates among neighboring districts may risk undermining constitutional principles and statewide commitments related to equal educational opportunity.

Efforts to address the persistence of significantly overfunded TK–12 districts cannot stand alone. Changes to basic aid are best considered within the context of broader efforts to improve the adequacy, equity, and sustainability of California's school funding system. These efforts should consider both the structural limitations of the current education funding system and the intersection of housing and economic policies that drive property tax disparities. California can pursue a range of policy options to address these education disparities, including requiring district consolidation or regional shared services, expanding interdistrict transfer options, implementing regional cost adjustments through LCFF, providing state aid to lower-wealth districts, and capturing and redistributing excess property tax revenue within counties. Each of these approaches carries different trade-offs in terms of feasibility and impact, and each addresses somewhat different goals. The right path forward will depend on which goals policymakers, state education leaders, and advocates wish to prioritize and how to best balance competing needs within California's current school finance system.

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Appendix

Table A1. All California Basic Aid Districts, 2023–24

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Acalanes Union High	Contra Costa		5,272	Suburb	High	9	$19,774	-$411	$112,413	91.5	19
Alexander Valley Union Elementary	Sonoma	Excess Adv.	111	Rural	Elementary	32	$28,585	$6,420	$96,832	85.3	12
Alpine County Unified	Alpine		86	Rural	Unified	63	$67,936	$3,067	$80,015	100	8
Arena Union Elementary	Mendocino		201	Rural	Elementary	67		$712		84.8	20
Aromas–San Juan Unified	San Benito		910	Rural	Unified	59	$22,300	$1,270	$87,077	87.1	20
Baker Valley Unified	San Bernardino		128	Rural	Unified	85	$40,761	$7,043	$70,585	65.2	11
Ballard Elementary	Santa Barbara		125	Rural	Elementary	9	$30,175	$4,032	$118,659	100	15
Belmont–Redwood Shores Elementary	San Mateo		3,920	Suburb	Elementary	17	$17,112	$127	$105,366	93.5	23
Beverly Hills Unified	Los Angeles	Excess Adv.	3,114	Suburb	Unified	25	$33,532	$9,155	$117,061	86	14
Big Creek Elementary	Fresno		31	Rural	Elementary	60	$77,735	$17,226		100	9
Big Lagoon Union Elementary	Humboldt		17	Rural	Elementary	43	$36,481	-$305	$50,137	80	8
Big Oak Flat–Groveland Unified	Tuolumne		276	Rural	Unified	50	$35,641	$3,452	$68,203	63.9	11
Big Pine Unified	Inyo		141	Rural	Unified	66	$40,351	$7,065	$80,856	83.5	10
Bolinas–Stinson Union	Marin	Excess Adv.	96	Rural	Elementary	43	$63,159	$32,098	$113,472	100	15

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Bonny Doon Union Elementary	Santa Cruz	Excess Adv.	116	Rural	Elementary	20	$31,123	$5,945	$85,734	87.9	11
Bret Harte Union High	Calaveras	Excess Adv.	587	Rural	High	43	$29,929	$9,162	$104,189	88.5	17
Brisbane Elementary	San Mateo	Excess Adv.	452	Suburb	Elementary	28	$30,913	$11,538	$102,937	90.6	15
Burlingame Elementary	San Mateo		3,234	Suburb	Elementary	23	$16,277	-$456	$103,031	81.6	21
Cabrillo Unified	San Mateo		2,705	Town	Unified	42	$20,710	$499	$86,288	83	20
Calistoga Joint Unified	Napa		797	Town	Unified	85	$35,377	$9,016	$136,561	84.3	16
Campbell Union	Santa Clara		420	Suburb	Elementary	90	$21,323	$32,288	$115,605	100	26
Campbell Union High	Santa Clara		8,233	City	High	40	$20,094	$576	$113,563	83.3	22
Cardiff Elementary	San Diego	Excess Adv.	611	City	Elementary	16	$23,792	$7,354	$106,361	96.1	17
Carmel Unified	Monterey	Excess Adv.	2,212	Suburb	Unified	20	$40,715	$19,336	$136,321	95.4	13
Carpinteria Unified	Santa Barbara		1,975	Suburb	Unified	71	$22,533	$1,099		80	16
Cayucos Elementary	San Luis Obispo	Excess Adv.	169	Town	Elementary	36	$30,403	$10,577	$84,717	76.4	12
Cinnabar Elementary	Sonoma		14	Suburb	Elementary	87	$30,358	$3,468	$77,344	92.6	12
Coast Unified	San Luis Obispo		490	Rural	Unified	79	$40,736	$8,400	$87,093	94.6	11
Cold Spring Elementary	Santa Barbara	Excess Adv.	180	Suburb	Elementary	4	$34,290	$15,348	$115,415	93.7	11
College Elementary	Santa Barbara	Excess Adv.	167	Town	Elementary	55	$41,372	$14,860		77.9	15

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Cucamonga Elementary	San Bernardino		2,298	Suburb	Elementary	75	$27,323	$5,165	$116,120	93.6	16
Death Valley Unified	Inyo		22	Rural	Unified	64	$126,547	-$8,088	$78,613	40	5
Del Mar Union Elementary	San Diego	Excess Adv.	3,791	City	Elementary	20	$21,868	$5,204	$110,969	97.4	19
Desert Center Unified	Riverside		24	Rural	Unified	81	$124,018	$56,668	$84,518	33.3	8
Dunham Elementary	Sonoma		9	Rural	Elementary	18	$16,472	-$9,467		100	11
Eastern Sierra Unified	Mono	Excess Adv.	375	Rural	Unified	47	$41,032	$11,670	$79,395	88.1	13
Encinitas Union Elementary	San Diego		4,665	City	Elementary	20	$19,832	$2,272	$102,573	99	19
Forestville Union Elementary	Sonoma	Excess Adv.	55	Rural	Elementary	39	$30,424	$29,533	$90,344	100	15
Fort Ross Elementary	Sonoma		14	Rural	Elementary	68	$73,487	$13,874	$71,218	50	8
Fremont Union High	Santa Clara	Excess Adv.	9,994	City	High	17	$25,722	$6,154	$154,245	90.8	22
General Shafter Elementary	Kern		185	Rural	Elementary	74	$25,112	$2,958		90	18
Geyserville Unified	Sonoma		119	Rural	Unified	61	$30,259	$14,519	$93,998	93.4	12
Golden Feather Union Elementary	Butte		69	Rural	Elementary	87	$48,250	$401		83.3	12
Goleta Union Elementary	Santa Barbara		3,317	Suburb	Elementary	42	$23,349	$4,074	$107,457	98.9	19
Guerneville Elementary	Sonoma		21	Rural	Elementary	65	$36,265	$32,192	$79,064	100	15
Happy Valley Elementary	Santa Cruz		116	Rural	Elementary	12	$16,988	-$515	$90,983	91.8	17

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Harmony Union Elementary	Sonoma		49	Rural	Elementary	19	$29,031	-$8,329	$98,784	100	17
Healdsburg Unified	Sonoma		1,226	Suburb	Unified	66	$29,363	$6,147	$102,326	91.3	15
Hillsborough City Elementary	San Mateo	Excess Adv.	1,235	Suburb	Elementary	4	$32,804	$10,746	$137,497	89.5	13
Hope Elementary	Santa Barbara		833	City	Elementary	34	$18,296	$3,570	$105,538	95.5	20
Horicon Elementary	Sonoma		64	Rural	Elementary	80	$40,350	$15,985	$72,832	66.7	12
Hornbrook Elementary	Siskiyou		41	Rural	Elementary	93	$51,759	-$2,976		78.4	8
Howell Mountain Elementary	Napa		95	Rural	Elementary	62	$31,077	$6,407		61.5	14
Jefferson Elementary	San Benito		4	Rural	Elementary	92	$20,306	-$1,740		100	4
Jefferson Union High	San Mateo		3,780	Suburb	High	38	$24,161	$1,400	$88,851	80.8	19
Julian Union High	San Diego		110	Rural	High	56	$37,284	$2,395	$72,615	47.5	15
Kentfield Elementary	Marin		1,055	Suburb	Elementary	16	$22,569	$199		82.7	16
Kenwood Elementary	Sonoma	Excess Adv.	62	Suburb	Elementary	26	$35,010	$29,554		95.7	12
Klamath River Union Elementary	Siskiyou		8	Rural	Elementary	76	$186,288	$4,224		100	5
La Honda–Pescadero Unified	San Mateo		258	Rural	Unified	56	$34,929	$5,063	$97,652	77.8	12
Laguna Beach Unified	Orange	Excess Adv.	2,493	Suburb	Unified	20	$37,988	$16,729	$135,686	96.5	16
Laguna Joint Elementary	Marin		17	Rural	Elementary	61	$133,806	$1,973	$87,819	100	5

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Lagunitas Elementary	Marin		181	Rural	Elementary	20	$32,154	$850	$99,676	92.3	12
Lakeside Joint Elementary	Santa Clara	Excess Adv.	73	Rural	Elementary	19	$41,760	$10,106		100	15
Larkspur–Corte Madera	Marin		1,325	Suburb	Elementary	11	$24,549	$283	$103,450	87.4	17
Las Lomitas Elementary	San Mateo	Excess Adv.	1,036	Suburb	Elementary	14	$34,366	$14,324		91.9	14
Latrobe Elementary	El Dorado	Excess Adv.	163	Rural	Elementary	19	$22,641	$6,311	$85,703	90.4	16
Linns Valley–Poso Flat Union	Kern		17	Rural	Elementary	65	$35,821	$6,086		100	10
Loma Prieta Joint Union Elementary	Santa Clara		428	Rural	Elementary	12	$22,390	$587	$87,010	88.8	22
Lone Pine Unified	Inyo		303	Rural	Unified	66	$34,176	$4,318	$74,844	50.6	15
Los Altos Elementary	Santa Clara		3,457	Suburb	Elementary	14	$26,069	$4,542	$113,712	88.6	18
Los Gatos Union Elementary	Santa Clara		2,628	Suburb	Elementary	10	$22,320	$3,866	$134,274	92.3	20
Los Gatos–Saratoga Union High	Santa Clara	Excess Adv.	3,229	Suburb	High	10	$26,553	$6,737	$130,668	88.2	21
Los Olivos Elementary	Santa Barbara		149	Rural	Elementary	24	$20,727	$2,762	$72,423	55.6	13
Mammoth Unified	Mono		1,082	Town	Unified	54	$21,771	$683	$87,311	79.7	19
Manchester Union Elementary	Mendocino		34	Rural	Elementary	64	$56,170	$8,796	$51,226	82.9	7
McKittrick Elementary	Kern	Excess Adv.	64	Rural	Elementary	46	$33,140	$23,724	$102,130	100	14
Mendocino Unified	Mendocino		382	Rural	Unified	62	$27,472	$2,735	$72,810	78.6	11

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Menlo Park City Elementary	San Mateo	Excess Adv.	2,501	Suburb	Elementary	15	$27,532	$6,478	$142,760	87.9	15
Midway Elementary	Kern		47	Rural	Elementary	56	$30,107	$11,085	$78,414	100	12
Mill Valley Elementary	Marin		2,432	Suburb	Elementary	9	$25,046	$1,134	$117,278	92.6	16
Monte Rio Union Elementary	Sonoma		62	Rural	Elementary	62	$35,073	$8,886	$92,942	100	13
Montecito Union Elementary	Santa Barbara	Excess Adv.	349	Suburb	Elementary	9	$57,687	$37,318	$136,775	100	10
Montgomery Elementary	Sonoma		19	Rural	Elementary	63	$56,556	$15,115	$64,475	100	7
Mountain House Elementary	Alameda		19	Rural	Elementary	72	$72,184	$4,705	$82,226	100	12
Mountain View Whisman	Santa Clara		4,526	City	Elementary	36	$26,966	$4,849	$108,709	93.4	19
Mountain View–Los Altos Union High	Santa Clara	Excess Adv.	4,146	City	High	17	$34,900	$13,114	$170,536	93.6	18
Nevada City Elementary	Nevada		638	Town	Elementary	34	$18,385	$1,003	$79,811	89.2	19
Newport–Mesa Unified	Orange	Excess Adv.	17,641	City	Unified	49	$28,732	$7,661	$113,995	93.4	19
Nicasio Elementary	Marin	Excess Adv.	34	Rural	Elementary	55	$39,573	$9,392	$85,036	100	12
Oak Grove Union Elementary	Sonoma		85	Rural	Elementary	26	$18,847	-$9,597	$91,907	100	22
Old Adobe Union	Sonoma		304	City	Elementary	45	$20,041	-$5,011		93.9	21
Orchard Elementary	Santa Clara		751	City	Elementary	64	$19,015	$332	$108,519	73	15
Orick Elementary	Humboldt		14	Rural	Elementary	100	$100,440	-$16,508	$57,574	100	4

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Owens Valley Unified	Inyo	Excess Adv.	96	Rural	Unified	40	$33,832	$7,312	$81,369	83.2	11
Pacific Grove Unified	Monterey	Excess Adv.	1,676	Suburb	Unified	20	$29,083	$8,529	$124,700	89.8	16
Palo Alto Unified	Santa Clara	Excess Adv.	9,872	City	Unified	18	$34,730	$12,820	$137,128	90.6	16
Pine Ridge Elementary	Fresno	Excess Adv.	60	Rural	Elementary	26	$42,685	$21,093	$79,181	85.7	10
Pleasant Valley Joint Union Elementary	San Luis Obispo		53	Rural	Elementary	36	$31,146	$4,791	$64,488	100	13
Plumas Unified	Plumas		1,615	Rural	Unified	61	$26,284	-$1,245	$72,243	71.4	17
Point Arena Joint Union High	Mendocino		125	Rural	High	60		$21,192		50.5	10
Pope Valley Union Elementary	Napa		48	Rural	Elementary	92	$60,886	$16,725		100	10
Portola Valley Elementary	San Mateo	Excess Adv.	447	Suburb	Elementary	9	$44,041	$22,954	$138,804	97.6	12
Rancho Santa Fe Elementary	San Diego	Excess Adv.	548	Suburb	Elementary	9	$30,934	$11,340	$95,198	88.7	11
Ravenswood City Elementary	San Mateo		1,538	Suburb	Elementary	90	$41,333	-$1,973	$99,079	79.1	16
Redwood City Elementary	San Mateo		6271	City	Elementary	61	$22,420	-$1,085	$101,418	67.1	22
Reed Union Elementary	Marin	Excess Adv.	1,062	Suburb	Elementary	7	$30,150	$8,612	$118,212	82	15
Ross Elementary	Marin	Excess Adv.	353	Suburb	Elementary	1	$33,579	$6,990	$111,074	86.1	11
Round Valley Joint Elementary	Inyo	Excess Adv.	43	Rural	Elementary	44	$33,912	$17,113	$76,895	100	12
Saint Helena Unified	Napa	Excess Adv.	1,108	Town	Unified	41	$42,596	$23,051	$155,546	95.6	13

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
San Bruno Park Elementary	San Mateo		2,042	Suburb	Elementary	49	$22,766	$1,822	$87,962	80.9	22
San Jose Unified	Santa Clara		24,842	City	Unified	47	$21,043	-$1,388	$98,547	85.3	22
San Luis Coastal Unified	San Luis Obispo		7,097	City	Unified	43	$19,162	$675	$91,389	89.4	18
San Mateo Union High	San Mateo	Excess Adv.	8,487	City	High	28	$28,574	$8,929	$133,238	80.4	20
San Mateo–Foster City	San Mateo		10,173	City	Elementary	43	$21,352	$927	$98,638	85.4	20
Santa Barbara Unified	Santa Barbara		11,935	City	Unified	62	$20,898	-$713	$88,825	84.9	19
Santa Clara Unified	Santa Clara	Excess Adv.	13,698	City	Unified	45	$29,020	$9,564	$143,489	89.1	19
Santa Cruz City Elementary	Santa Cruz	Excess Adv.	1,744	City	Elementary	41		$6,391		89	17
Santa Monica–Malibu Unified	Los Angeles		8,921	City	Unified	30	$26,553	$1,121	$100,861	85.4	18
Santa Ynez Valley Union High	Santa Barbara	Excess Adv.	828	Town	High	28	$22,167	$5,197	$93,920	89.2	18
Saratoga Union Elementary	Santa Clara	Excess Adv.	1,606	Suburb	Elementary	10	$25,702	$11,781	$126,491	95.7	19
Sausalito Marin City	Marin		292	Suburb	Elementary	56	$47,260	$15,580	$100,740	76.7	13
Sequoia Union High	San Mateo	Excess Adv.	8,063	Suburb	High	31	$31,158	$9,499	$130,123	88.2	17
Shoreline Unified	Marin		363	Rural	Unified	65	$43,972	$17,514		95.7	10
Silver Fork Elementary	El Dorado		14	Rural	Elementary	58	$48,751	$8,018		100	8
Solana Beach Elementary	San Diego	Excess Adv.	2,723	City	Elementary	21	$24,754	$8,121	$112,962	97.5	19

* Excess revenue excludes MSA.

District name	County	Excess advantage flag	Average daily attendance	Locale	District type	Unduplicated pupil (percentage)	General Fund revenue per pupil	Excess revenue per pupil*	Average teacher salary	Clear full-time equivalent (percentage)	Students per teacher
Sonoma Valley Unified	Sonoma		3,219	Town	Unified	58	$24,491	$3,019	$93,688	88.8	20
Sonora Union High	Tuolumne		975	Town	High	41	$21,420	-$1,992		67.7	24
South San Francisco Unified	San Mateo	Excess Adv.	7,562	City	Unified	46	$23,493	$5,580	$93,977	86.2	18
Spencer Valley Elementary	San Diego		45	Rural	Elementary	47	$58,358	-$11,430		100	12
Sunnyvale Elementary	Santa Clara	Excess Adv.	5,546	City	Elementary	45	$26,872	$7,263		93.1	19
Tahoe–Truckee Unified	Placer	Excess Adv.	3,631	Town	Unified	34	$27,238	$6,277	$105,170	89.5	20
Tamalpais Union High	Marin		4,767	Suburb	High	11	$27,163	$4,480	$124,433	87	19
Twain Harte Elementary	Tuolumne		241	Town	Elementary	51	$23,808	$2,916	$82,257	78.8	14
Vallecito Union Elementary	Calaveras		533	Rural	Elementary	57	$22,994	$2,964	$80,189	75.2	18
Vista Del Mar Union	Santa Barbara	Excess Adv.	30	Rural	Elementary	41	$27,942	$21,113	$62,394	100	10
West Side Union Elementary	Sonoma		142	Rural	Elementary	30	$17,855	-$298		100	17
Willow Grove Union Elementary	San Benito		20	Rural	Elementary	75	$31,515	$3,684		100	12
Woodside Elementary	San Mateo	Excess Adv.	311	Suburb	Elementary	12	$44,172	$21,118	$129,826	91.8	11

* Excess revenue excludes MSA.

Table A2. California Basic Aid Districts by Amount of Excess Local Revenue Per Pupil, 2023–24

		Excess local revenue per pupil (USD)			
		5,000–9,999	10,000–19,999	20,000–49,900	Total
Unduplicated pupil (percentage)	0–30	14	11	5	**30**
	31–55	11	4	5	**20**
	Total	**25**	**15**	**10**	**50**

Policy Analysis for California Education (PACE)

Improving education policy and practice and advancing equity through evidence

PACE is an independent, non-partisan research center led by faculty directors at Stanford University, the University of Southern California, the University of California Davis, the University of California Los Angeles, and the University of California Berkeley. Founded in 1983, PACE bridges the gap between research, policy, and practice, working with scholars from California's leading universities and with state and local decision makers to achieve improvement in performance and more equitable outcomes at all levels of California's education system, from early childhood to postsecondary education and training. We do this through:

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PACE
Policy Analysis for California Education

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