Sacramento City Unified's ongoing labor fight serves as a cautionary tale for other school districts in California that may have similar problems lurking in their finances, an education think tank says in a new report issued today.

A strained relationship with its teachers union and expensive employee benefits are partly to blame for the district's ongoing budget crisis, Policy Analysis for California Education determined in a case study of the troubled Sacramento district.

While Sacramento teachers walked out during a one-day strike in April, with the Sacramento City Teachers Association alleging “gross fiscal mismanagement” by district administrators, the report by the Stanford University-based consortium cites other reasons for the budget woes.

In addition to “bad business practices” and statewide cost pressures, the report also points to generous health benefits that Sacramento City can no longer afford.

Sacramento City is among only 7 percent of districts in the state that provides lifetime health care for retirees. SCTA and district leadership agree that the current health plan is too expensive but “have not been able to come together to find a solution,” the report states.

The study also cites a history of tumult between SCTA and the district. “Tense labor-
management relations jeopardize financial stability and public confidence,” the report states.

PACE calls on the county and the state to remedy the district’s financial distress and for more education funding statewide.

The California Teachers Association slammed the report, alleging in a news release today that PACE did not pin enough blame on the district’s record-keeping and leadership.

“The objectivity and research methods led to skewed findings that clearly only serve one person: SCUSD Superintendent Jorge Aguilar,” CTA President E. Toby Boyd said in a statement.

*This report first appeared on POLITICO California Pro on Nov. 8, 2019.*
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