



PAJARO VALLEY UNIFIED SCHOOL DISTRICT MISSION STATEMENT

The Mission of the Pajaro Valley Unified School District is to educate and to support learners in reaching their highest potential. We prepare students to pursue successful futures and to make positive contributions to the community and global society.

February 16, 2011
SPECIAL BOARD MEETING - BUDGET
CLOSED SESSION – 6:00 p.m. – 7:00 p.m.

PUBLIC SESSION – 7:00 p.m.
DISTRICT OFFICE
BOARDROOM
292 Green Valley Road
Watsonville, CA 95076

NOTICE TO THE PUBLIC: PURSUANT TO SB 343, BOARD PACKET DOCUMENTS ARE AVAILABLE FOR YOUR REVIEW AT THE FOLLOWING LOCATIONS:

- Superintendent's Office: 294 Green Valley Road, Watsonville, CA (4th Floor)
- On our Webpage: www.pvUSD.net

Notice to the Audience on Public Comment

Members of the audience are welcome to address the Board on all items not listed on this agenda. Such comments are welcome at the "Visitor Non-Agenda Items".

Members of the audience will also have the opportunity to address the Board during the Board's consideration of each item on the agenda.

Individual speakers will be allowed three minutes (unless otherwise announced by the Board President) to address the Board on each agenda item. **You must submit this card prior to the discussion of the agenda item you wish to speak to; once an item has begun, cards will not be accepted for that item.** For the record, please state your name at the beginning of your statement. The Board shall limit the total time for public input on each agenda item to 20 minutes. With Board consent, the President may increase or decrease the time allowed for public presentation, depending on the topic and the number of persons wishing to be heard. The President may take a poll of speakers for or against a particular issue and may ask that additional persons speak only if they have something new to add.

Note: Time allotment for each item is for the report portion only; it is not an anticipation of the total time for the discussion of the item.

We ask that you please turn off your cell phones and pagers when you are in the boardroom.

1.0 OPENING CEREMONY – MEETING OF THE BOARD IN PUBLIC - 7:00 P.M.

1.1 Pledge of Allegiance

- 1.2 Welcome by Board President
Trustees Leslie De Rose, Kim De Serpa, Doug Keegan, Sandra Nichols, Karen Osmundson, Jeff Ursino, and President Willie Yahiro.

2.0 APPROVAL OF THE AGENDA

3.0 REPORT, DISCUSSION AND POSSIBLE ACTION

- 3.1 Report, discussion and possible action on Justification for Possible Certificated and Classified Employee Layoff Notices.
Report by Brett McFadden, CBO. 15 min.

4.0 UPCOMING BOARD MEETINGS/REMAINING BOARD MEETINGS FOR 2011

All meetings, unless otherwise noted, take place at the District Office Boardroom, 292 Green Valley Road, Watsonville, CA. Closed Session begins at 6:00 pm; Open Session begins at 7:00 pm.

		Comment
February	▪ 23	▪
March	▪ 9 ▪ 23	▪ Approve 2 nd Interim Report
April	▪ 13 ▪ 27	▪
May	▪ 11 ▪ 25	▪ Approve 3 rd Interim Report
June	▪ 8 ▪ 22	▪ 10-11 Budget Adoption
July	▪	▪ No Meetings Scheduled
August	▪ 10 ▪ 24	
September	▪ 14 ▪ 28	▪ Unaudited Actuals
October	▪ 12 ▪ 26	
November	▪ 16	▪
December	▪ 7 Annual Organization Mtg.	▪ Approve 1 st Interim Report

5.0 ADJOURNMENT

PAJARO VALLEY UNIFIED SCHOOL DISTRICT



Board Agenda Backup

Item No: 3.1

Date: February 16, 2011

Item: **Justification for possible certificated and classified employee layoff notices**

Overview: At its February 9th meeting, the Board of Trustees received updated multi-year fiscal projections (MYPs) based on two possible fiscal scenarios facing the district. One scenario factored in the proposed extension of a series of current state taxes; the other with the taxes not being extended. Both MYPs indicated the district would continue to face significant to possibly catastrophic fiscal conditions over the three-year forecast. The severity of these conditions is dependent on the outcome of a probable June 7th statewide special election.

Education Code requires certificated employees to receive a layoff notice no later than March 15 and before specified employees are to be given final notices (before May 15) by a district's governing board for the ensuing year. Reasons for the notice must be defined pursuant to guidelines enumerated in law. Classified personnel layoff procedures require a 45-day prior notification according to specific procedures. Neither of these required layoff procedures are subject to legislative and/or executive waiver this year.

As a result of the state's fiscal crisis, the district faces the possibility of a significant decline in its 2011-12 ongoing revenues. Should the tax extensions not pass on June 7th, the district could face the loss of \$6 million or more in ongoing revenue. This situation necessitates that the Board of Trustees take appropriate actions to prepare accordingly, and develop possible contingency plans based on the two fiscal scenarios outlined by staff. This will, unfortunately, require the issuance of certificated and classified personnel layoff notices.

As noted by staff in previous board updates, there are few non-negotiable items remaining for possible reductions. The district has sustained over \$14 million in one-time and ongoing reductions since 2008-09. The district has reached a point where "painless reductions" are impossible.

Staff has developed two lists of possible reductions to provide justification and guidance for the issuance of personnel layoff notices. One includes potential targeted General Fund reductions, and the other includes potential categorical program and special fund reductions. We note that the development of these lists was extremely difficult in light of previous reductions already taken by the board the past three years. We further note that these reductions may not be necessary depending on the outcome of the June 7th special election. In the meantime, however, approval of these lists will provide the fiscal justification necessary for the issuance of targeted personnel layoff notices according to statute.

Possible General Fund Reductions for 2011-12

<u>Item</u>	<u>Amount</u>
Increase K-3 class sizes from 28:1 to 30:1 (contract maximum)	\$600,000
Reduce Adult Education, shift amount to General Fund per Tier 3 <ul style="list-style-type: none">In addition to current Tier 3 shift of \$650,000 per statuteApproximately \$800,000 would remain for restructured programs/servicesApproximately \$900,000 in reserves remain to augment for reductions	\$1,000,000
Reduce General Fund paid School Nurses (1.1 FTE)	\$ TBD
Reduce one Elementary Assistant Principal	\$90,000
Eliminate Risk and Safety Manager position (Consolidate responsibilities with existing management position)	\$119,000
Eliminate Assistant Director of Technology position (Use part of \$140k savings to create non-management tech position)	\$70,000
Eliminate Transportation Fleet Maintenance Manager position (Shift responsibilities to other management positions)	\$100,000
Reduce Human Resources Department personnel	\$120,000
Reduce one Transportation Department Dispatcher	\$50,000
Reduce one Transportation Department Delegate Trainer	\$50,000
Eliminate one Payroll/Benefits Specialist position	\$57,000
Eliminate one Accounting Specialist II position	\$53,000
Eliminate one Staff Accountant position	\$72,000
Eliminate one of two Facility Planner positions	\$75,000
Total estimated General Fund savings	\$2,456,000

Possible Categorical and Special Fund Reductions for 2011-12

The following are identified for purposes of issuing certificated and classified layoff notices due to potential reductions in state and/or district program funding:

<u>Item</u>	<u>Amount</u>
Migrant Education	To be determined
Child Development	To be determined
District categorical programs (state funded)	To be determined
Special Education	To be determined

Possible reductions to the above listed programs and funds are subject to further review pending compliance with state and federal regulatory requirements.

Staff will provide further information on this matter at the Board's special meeting on February 16.

Recommendation:

Approve lists of possible targeted reductions for purposes of initiating certificated and classified reductions in force according to statutorily required procedures.

Budget Considerations:

Funding Source:

Budgeted: Yes: No:

Amount: \$

Prepared By: Brett McFadden, CBO

Superintendent's Signature:

Dormo Bok