

School Board News! Highlights from the December 8, 2010 Meeting

by June Monach, Board Member

The Budget: Assistant Superintendent Michael Brady presented the 2010-11 First Interim Financial Report to the Board. Based upon the District's recommendations and a clear understanding of the assumptions being made, the Board approved a positive certification of the report, which means the District will be able to meet its financial obligations for this fiscal year and the next two years.

Superintendent Constance Hubbard and the Board expressed gratitude to the employee groups, staff, students, parents, and community members who are working together to address the projected cumulative shortfall over the next two years. Mr. Brady explained that the multi-year projections show that by 2012-13 the shortfall is anticipated to be approximately \$3.9 million. The previously estimated shortfall was revised downward from \$5 million due to an increase of over \$400,000 in one-time federal stimulus funding and over \$600,000 in presumed ongoing State revenues beginning next fiscal year. The current estimated shortfall assumes:

- A drop in Federal stimulus funding in excess of \$400K in 2011-12
- No Program Preservation funds from Parents' Clubs or local foundations in 2011-12 and 2012-13
- No emergency Parcel Tax (Measure E) revenues in 2012-13
- No increase in the Core Parcel Tax (Measure B) in 2011-12 and 2012-13
- No continued savings from the furlough day program (negotiated for 2010-11; none in 2011-12 and 2012-13)
- Health benefit premium cost increases of an estimated 13% per year over the next two years
- A \$200K transfer out of the General Fund in 2012-13 for maintenance

Given the above assumptions, the estimated deficit in 2011-12 would be -\$2,087,561 and -\$3,896,660 in 2012-13. In 2012-13, the funds needed to meet the statutory 3% reserve requirement would total \$3,877,106. In order to balance the budget over the next two years, a minimum of \$1.4 million in spending cuts/revenue enhancements will need to be identified in 2011-12 and in 2012-13 an additional \$1 million in reductions/added revenues will need to be implemented.

The District is taking a conservative stance in making its financial projections. The State Legislative Analyst's Office has projected the deficit to be \$6 billion for 2010-11 and \$19 billion per year for 2011-12 through 2015-16. Mr. Brady reiterated that "there is no guarantee that the State Revenue Limit increases of \$600K per year are expected to hold." Please go to the following link for details on the First Interim Report:

http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/2010_11_Interim_Report.pdf

Pilot to Expand Sunday Use of Witter Approved: The Board unanimously approved a proposal developed by the District's administration to expand Sunday use of the Witter Fields. The proposal was developed in response to increasing demand for play fields for youth sports and neighborhood complaints around unauthorized organized use of the facilities. In considering the pilot proposal the Board explained how it must balance the needs of the community with the needs and rights of the individual. In developing the recommended pilot, the administration took into consideration input from the youth sports organizations, requests from neighbors to mitigate traffic safety and congestion and to improve the monitoring of unauthorized use, and input from

the general public. An integral part of the program will be the hiring of a Sunday monitor who will serve as the District's representative and work with the Piedmont Police Department to enforce authorized use. Approved hours of operation on Sundays will be from 9 am (for practices/warm-ups) or 10 am (for games) until 5 pm (or dusk if earlier than 5 pm), with the El Cerrito gate into Witter Field to be closed and locked on Saturday evenings at 5 pm and not opened until Monday mornings at 6 am. Use of lighting and public address systems will not be allowed. Superintendent Constance Hubbard noted that there would be scheduled closure of the fields for regular maintenance of each of the fields. With the exception of scheduled closures, it was clarified that the fields (when not in use by permitted users) and other parts of the athletic complex, such as the track, are open to the public on weekends. Revenues and costs will be tracked closely to ensure that the District breaks even with the proposed pilot, which takes effect Sunday, December 12, 2010 and will be evaluated by the Board in November 2011. For background information and details of the pilot, please read pp 13-14 at the link below.
<http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/120810packet.pdf>

Board Clarifies Scope of Parcel Tax Citizens Advisory Committee: The Board unanimously approved revisions to the original charter for this committee, established as part of Parcel Tax Measures B and E, approved by voters on June 2, 2009. The revisions were adopted in an effort to clarify the intended scope of the Committee's work. The following areas of the charter were clarified: 1) Limit the scope of work to advice on whether and to what extent to levy emergency parcel tax Measure E, and to what extent to levy the core tax, Measure B as set forth in the original charge; 2) If the Board wishes to expand the Committee's charge to consider other items, the Board should do so by majority vote; 3) Recommendations on the levy amounts should be made based on the fiscal impact to the District's budget; and 4) in the annual report the Board expects "a high level, comprehensive analysis of the District's budget including relevant metrics, historical trends, and comparisons with similar school districts, that provides an analytical basis for the Committee's recommendations." Committee Chair Mr. Jon Elliott and committee member Mr. George Childs both supported the proposed changes to the charter. Mr. Elliott said the Committee hopes to present the annual report to the Board by its second meeting in January.

There are three openings on the CAC as a result of resignations submitted in September. The Board suggested that new members be added, bringing the total membership back to at least 9 members. The Board has asked staff to begin the application process after the annual report is released in January or February. The application process will be changed to include an interview of potential candidates.