

School Board News | Highlights from the January 24, 2012 School Board Meeting

by June Monach, Board Member

Spotlight on Student Learning: Assistant Superintendent Randall Booker, expressed his thanks and appreciation to the Piedmont Educational Foundation for providing the funds needed so the school district could dedicate a full day of professional development (January 30th) to continue to engage the faculty in the new teacher evaluation program. At the elementary schools, teachers will share best practices in English Language Arts instruction, common assessments, and establishing consistent goals. At PMS, teachers will meet in like subject areas, also focusing on developing common assessments. And at PHS, the faculty will focus on developing the parent survey, reviewing the system of classroom observations of teachers by administrators, and creating clearer benchmarks for following student progress using common assessments. Finally, at MHS, teachers will spend time enhancing a framework for assessing students' writing.

Budget Situation: The Board received an update from Superintendent Constance Hubbard and Assistant Superintendent Michael Brady on the latest news from Sacramento, and reviewed a set of "what-if" scenarios to help the Board with multi-year forecasting and the weighing of risks given state revenue uncertainties. Key "take-aways" from the staff report and Board discussion include:

- **The current problem is a state revenue problem.** Since 2008, the District has lost in excess of \$6.4 million in state funds, a 20 percent cut in per pupil funding over the past three years.
- **A multi-year strategy has been used to address the problem:** All multi-year projections show that we will end FY 2011-12 with an ending fund balance of more than 10% in order to prevent lay-offs and major cuts to program in 2012-13. The combined efforts of the District, employee groups, students, parents, and the community, has enabled the District to maintain as much of the educational program as possible in spite of significant and potential ongoing cuts from the state.

The District and all employee groups have taken action to curb expenditures. With nearly 90% of the District's budgeted expenditures attributable to employee salaries and benefits, the revenue losses have been addressed with expenditure reductions that have increased as the State funding cuts have continued and increased. The Board appreciates the painful sacrifices being made by all employees through these multi-year actions.

- In 2009, employees agreed to a salary schedule freeze;
- In 2010, employees further agreed to furlough days;
- In 2011, employees voluntarily agreed to temporary salary reductions from furlough days and hard caps on medical benefits that will contribute over \$3.87 million in savings to the District from 2011 to 2014 (addressed primarily through \$2.4 million in health benefit caps and \$1.35 million from furlough days).

Students, teachers, and families have shared in the burden to curb expenditures. The school year has been shortened, some services (ie., classroom aide time and library services) have been reduced, some class sizes are larger than in previous years, and District-wide professional development has been reduced.

Community support of school parcel tax measures and school fundraising campaigns, has continued to help to maintain a quality educational program for our children despite large and potential ongoing state cuts to public education.

- \$9.57 million School Parcel Tax Measures B & E (approx. 33% of the budget)

The Board has requested that the Citizens Advisory Committee for the School Parcel Tax make a recommendation for FY 2012-13 on whether and by what amount to levy School Parcel Tax Measure B, authorized by voters in 2009 to help maintain a quality educational program for Piedmont's children. School Parcel Tax Measure E was a temporary measure that expires at the end of this fiscal year (2011-12). Residents will therefore see a lower amount associated with the School Parcel Tax on their property tax statements in 2012-13 and 2013-14. With the expiration of School Parcel Tax Measure E, even if the Board were to decide to increase School Parcel Tax Measure B by up to 5% over the next two years, residents' School Parcel Tax rate for 2012-13 and 2013-14 would be less than the current rate each year.

- \$1.5 million Parents' Clubs & Piedmont Educational Foundation (approx. 5% of the budget)

The Board appreciates recent decisions made by Parents' Clubs to: a) increase their annual ongoing contributions to the District by \$250,000, and b) allocate \$220,000 in one-time Parents' Club Program Preservation Funds to address anticipated mid-year cuts, and buy-back one student furlough day plus one professional development furlough day next school year (2012-13).

- **Looking ahead: Even if conditions improve, the problem the District faces continues to be a revenue problem.** The Board reviewed a set of six "what-if scenarios" to help assess the financial ramifications over the next three years of varying revenue amounts from state and local sources. The six scenarios include three that assume the Governor's tax initiative passes in November 2012 and three scenarios that assume it does not, and, for each set of scenarios, assess the impact of not increasing the Measure B School Parcel Tax by 5%, increasing it by 5% next year only, and increasing it by 5% over each of the next two years. A summary of the scenarios is as follows:

Even if the Governor's Initiative were to pass in November 2012, PUSD's funding from the state would remain flat.

1. If the Board ultimately decided not to increase school parcel tax Measure B by up to 5% in either of the next two years, the Board would need to make expenditure reductions of \$552,000 to meet state law budget requirements for 2013-14. ("State Flat")
2. If the Board ultimately decided to raise the parcel tax 5% in 2012-13, adding \$478,000 to revenues in each of that year and the next, then the District is projected to have \$400,000 in reserves at the end of 2013-14 beyond the required 3% reserve for economic uncertainty. ("State Flat + PT 1Yr")
3. If the Board ultimately chose to raise the parcel tax 5% in each of the next two years, then the District is projected to have \$906,000 in reserves at the end of 2013-14 beyond the required 3% for economic uncertainty. ("State Flat + PT 2 Yrs")

If the Governor's Initiative were to fail, associated state revenue cuts to PUSD of approximately \$900,000 would be ongoing beginning in 2012-13, and no increases in state funding are projected.

4. If the Board ultimately decided not to increase school parcel tax Measure B by up to 5% in either 2012-13 and 2013-14, the Board would need to make expenditure reductions of \$2.4 million for 2013-14. ("Worst #1")
5. If the Board ultimately decided to raise the parcel tax 5% in 2012-13, adding \$478,000 to revenues in each of that year and the next, then the District is projected to need \$1.4 million in expenditure reductions to meet state law budget requirements in 2013-14. ("Worst #2 + 1 Yr PT")

6. If the Board ultimately chose to raise the parcel tax 5% in each of the next two years, then the District is projected to need \$937,000 in expenditure reductions to meet state law budget requirements in 2013-14. ("Worst #2 + 2 Yr PT")

Board discussion noted that waiting for additional information on State funding bears considerable risk to Piedmont's educational program.

- In all scenarios, unless state funding improved dramatically, the District's spending to maintain its current educational program is projected to continue to out-pace available revenues, such that estimated cuts would need to continue in 2014-15.
- In addition, School Parcel Tax Measure B expires on June 30, 2014 and will be brought before voters for renewal in Spring 2013. Measure B contributes over one-third of the District's revenues, which pays for the equivalent of 100 teachers/support staff employed by the District. Measure B funding was last approved by voters in 2009 to help the District, "attract and retain qualified teachers, maintain small class sizes and protect instructional programs and services including art and music, foreign language, advanced placement, school libraries, classroom technology, and student counseling."

See pp 6-17 for the 6 scenarios:

http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/2011_12/012412packet.pdf

State-Mandated Developmental Kindergarten Program: Assistant Superintendent Booker reviewed the status of this program with the Board and said, "Senate Bill 1381 amended the California Education Code to change the required birthday for admission to kindergarten and first grade from December 2nd of each year and established a transitional kindergarten program beginning in the 2012-13 school year." However, he reported that the Governor's proposal eliminated the funding and requirement that the transitional program be provided beginning in 2012-13. According to Mr. Booker, "It is not anticipated that there will be enough children at each of the elementary sites to offer a transitional kindergarten program at each site even if fully funded by the State." Current contingency planning includes the consideration of a combination transitional kindergarten/kindergarten class offered to children who meet the cut off birth date and yet may not be ready for kindergarten. Assistant Superintendent Booker explained the estimated financial exposure to the District if services were provided but we received no funding from the state, to be \$50,000 to \$70,000 per school year, assuming 10-12 students per school year. He alerted Piedmont families to the following:

- On March 8th, the District will hold its annual new student and kindergarten registration.
- The age requirement for kindergarten enrollment for the 2012-13 school year is five (5) on or before November 1, 2012.
- Those students with birthdays between November 2 and December 2 should come to registration, knowing that the transitional kindergarten program may not take place due to the absence of funding from the state.
- Parents should continue to check the District website for updates.

See pp 18 – 19: http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/2011_12/012412packet.pdf

Negotiations between the District and the Association of Piedmont Teachers (APT) will now commence. The District and Association of Piedmont Teachers (APT) have a contract agreement that is effective through June 30, 2014. Every year, it is customary for the District and APT to re-open negotiations on salary and benefits, and two additional articles identified by each. The Board unanimously approved the jointly proposed contract re-openers for 2012-13, including:

- Salaries

- Benefits
- Hours and Professional Responsibility (to review school site bell schedules)
- Employee Evaluation (to continue the work of the Evaluation Committee)

The public was provided opportunities to provide input on the proposed openers on November 9, 2011, December 14, 2011, and this evening. The Board will take this input and provide direction to the District during the negotiations process. As governed by law, the negotiations meetings are confidential. For background information, go to pp 1-2:

http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/2011_12/012412packet.pdf

Application Opening of 2012 Arthur Hecht Volunteer of the Year Award: Established thirteen years ago to honor the late Piedmont community member and volunteer extraordinaire, Arthur Hecht, Superintendent Hubbard announced that the District is now seeking nominations for this year's award. In addition to recognition at a Board meeting, the award winner will receive a gift of a work of student art. In turn, the student will be presented with a monetary gift and commendation from the Board. Staff, students, and community members were invited to submit applications. Applications are due no later than 4:30 pm on Wednesday, February 29, 2012 in the Superintendent's Office at 760 Magnolia Avenue, or via e-mail to sspiker@piedmont.k12.ca.us. The awardee will be announced sometime in March, and will be recognized at the May 9, 2012 meeting of the Board of Education. A copy of application is available at:

http://www.piedmont.k12.ca.us/forms/Art_Hecht_Form.pdf