



# PIEDMONT UNIFIED SCHOOL DISTRICT

ADMINISTRATION BUILDING

760 Magnolia Avenue • Piedmont, California 94611-4087 • (510) 594-2614

CONSTANCE HUBBARD  
SUPERINTENDENT

May 20, 2009

Dear Citizens of Piedmont:

We are writing to update you on the status of the School District budget. In the midst of the State budget crisis and deep cuts in education funding, we are considering a wide range of options to balance the budget. In anticipation of future cuts, we issued layoff notices to a large number of teachers and other support staff. Now that the State budget measures have failed, our final plans are dependent on the Governor's revised budget, the impact of Federal stimulus funds, and our upcoming parcel tax election. To plan for these contingencies, we have identified three levels of potential cuts, described below and detailed in the attached Fact Sheet. Note that all three scenarios assume a renewal of the existing parcel taxes (Measure B) which provide 27% of our total funding. Without Measure B, we will need to explore other solutions, including a plan for much deeper cuts beginning in the 2010/11 school year.

### LEVEL I REDUCTIONS

The first level of cuts is based on the most optimistic scenario. This plan assumes that both parcel tax measures pass and total State and Federal funding will be close to previous projections. This might be possible if the additional cuts in State funding now proposed by the Governor are fully offset by Federal stimulus funds. However, in this scenario, we still plan to make cuts amounting to \$925,000, eliminating 10 full time equivalent (FTE) positions, including teachers, classroom aides, counselors, administrators and maintenance staff. These cuts will increase the student/adult ratio and the size of some classes, but we hope to maintain the depth and breadth of academic programs for all students.

### LEVEL II REDUCTIONS

The next level of cuts will be needed if Measure E fails OR State and Federal funding is much worse than expected. In this scenario, we plan to eliminate up to 10 more FTE positions, including library assistants, classroom aides, counselors, administrators, and custodians. This plan would increase the total cuts to 20 FTE positions, \$1.7 million and 5.5% of the current budget. The impact on our educational program would be significant, with further reductions in aide time for elementary students, and more cutbacks in counseling, library, administrative and maintenance services.

### LEVEL III REDUCTIONS

If Measure E fails AND State and Federal funding is much worse than expected, we will need to identify more budget cuts. These plans could include a reduction of the school year, as proposed by the Governor, and/or other salary and benefit cuts. But these alternatives would require the renegotiation of existing employee contracts, so we are not able to predict the actual dollar impact of these budget cuts right now.

As you can see, we are facing difficult financial decisions in the near future. We want to make sure the Piedmont community is fully informed about our current plans and contingencies and understands the potential impact of the budget crisis. Please feel free to contact us if you have any questions or comments.

Sincerely,

Constance Hubbard  
Superintendent of Schools

June Monach  
President, Board of Education

Ray Gadbois  
VP, Board of Education

Martha Jones  
Member, Board of Education

Richard Raushenbush  
Member, Board of Education

Roy Tolles  
Member, Board of Education

## State Budget Impact on Piedmont Unified School District

### State Budget Situation (Source: Public Policy Institute of California, www.ppic.org)

- In the recently enacted State budget, a gap of more than \$41 billion was closed through a combination of spending cuts, revenue increases, federal stimulus funds, borrowing, and line-item vetoes.

### Impact on Local Education Budget (Source: Report to the Board of Education, April 29, 2009)

The State budget impact on PUSD is significant. Current estimates put the District shortfall at a minimum of \$1.6 million beginning in FY 2009-10. Now that the State budget measures have failed, our final plans are dependent on the Governor's revised budget, the impact of federal stimulus funds, and the upcoming school parcel tax election.

- **Level I:** Even if both Measures B & E pass, and the State budget situation does *not* worsen, the District recommends that the 'LEVEL I' reductions and allowable revenue adjustments below are made. With the failure of the State measures, this scenario is still possible if additional cuts in State funding now proposed by the Governor are fully offset by federal stimulus funds.

➤ 5.5 FTE Certificated Staff	\$450,000
- Increase class size in grades 6 – 12	
- Reduce administrative staff/services	
- Do not replace counselors on leave for 2009-10	
➤ 5.0 FTE Classified Staff	\$250,000
- Reduce paraeducator support services as classroom aides and occupational therapy services	
- Reduce gardening and grounds services	
- Assign current maintenance personnel to plant management / supervision at Emery campus (bond program)	
➤ Transfer from Adult Education Program (State Tier III Flexibility provisions)	\$125,000
➤ Sweep allowable categorical program ending fund balance	<u>\$100,000</u>

**'LEVEL I' REDUCTIONS: \$925,000**

- **Level II:** If Measure B passes, but Measure E does not pass OR the State/federal budget situation gets worse, on top of the Level I cuts, an additional \$750,000 in cuts would need to be made, totaling \$1.675 million:

➤ 3.5 FTE Certificated Staff	\$350,000
- Eliminate positions such as department chairs, activities coaches, music accompanists	
- Reduce K-12 library services	
- Reduce K-12 counseling services	
- Reduce PMS/PHS site administrative staff/services	
➤ 6.0 FTE Classified Staff	\$400,000
- Reduce Library Assistants	
- Reduce paraeducator support (classroom aides) Grades K-3	_____
- Reduce custodial staff K-12	
	<u>\$750,000</u>

**'LEVEL II' REDUCTIONS = 'LEVEL I' + \$750K: \$1,675,000**

- **Level III:** If Measure B passes, but Measure E does not pass, AND as a result of legislative action the State budget situation worsens, salary roll-back and benefit reductions for employees, and/or a reduction of the school year, as proposed by the Governor, would need to be negotiated and considered for the FY 2010-11 budget.