



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 18, 2004 SPECIAL BOARD MEETING AND STUDY SESSION – BUDGET ADOPTED MINUTES

District Office Boardroom
292 Green Valley Road
Watsonville, CA 95076

1.0 OPENING CEREMONY – SPECIAL BOARD MEETING – 6:00 PM

1.1 Call to Order

President DeHart called the meeting to order at 6:00 pm at the District Office at 292 Green Valley Road, Watsonville.

1.2 Public comment on closed session agenda.

None.

2.0 CLOSED SESSION

2.1 5 Expulsions

2.2 Pending Litigation

a) Case #: SN03-02301 Due Process

b) Case #: SN04-00202 Due Process

c) Case #: SN04-00198 Due Process

d) Case #: S-0299-03/04 Compliance Complaint

2.3 Personnel

3.0 OPENING CEREMONY – MEETING OF THE BOARD IN PUBLIC – 6:15 PM

President DeHart called the meeting of the Board in public to order at 6:35 pm.

3.1 Pledge of Allegiance

Trustee Gray led the Board in the Pledge of Allegiance.

3.2 Welcome by Board President

Trustees Sharon Gray, Sandra Nichols, Dan Hankemeier, Carol Roberts, Evelyn Volpa, Willie Yahiro, and President Rhea DeHart were present.

4.0 APPROVAL OF THE AGENDA

Trustee Volpa moved to approve the agenda. Trustee Gray seconded the motion. The motion passed 6/0/1:

Ayes: 6

Nays: 0

Abstentions: 0

Absent: 1 (Hankemeier)

5.0 ACTION ON CLOSED SESSION

Action on Expulsions

- 03-04-65** Trustee Gray moved to approve the disciplinary action as recommended by the panel. Trustee Volpa seconded the motion. The motion passed 6/0/1 (Hankemeier absent).
- 03-04-72** Trustee Gray moved to approve the disciplinary action as recommended by the panel. Trustee Volpa seconded the motion. The motion passed 6/0/1 (Hankemeier absent).
- 03-04-73** Trustee Gray moved to approve the disciplinary action as recommended by the panel. Trustee Volpa seconded the motion. The motion passed 6/0/1 (Hankemeier absent).
- 03-04-74** Trustee Gray moved to approve the disciplinary action as recommended by the panel. Trustee Volpa seconded the motion. The motion passed 6/0/1 (Hankemeier absent).
- 03-04-79** Trustee Gray moved to approve the disciplinary action as recommended by the panel with the following additional condition of the suspended expulsion by the Board: Write a specific letter of apology to the teacher involved referencing his defiance, cursing of teacher and threatening stance towards him. Trustee Volpa seconded the motion. The motion passed 6/0/1 (Hankemeier absent).

6.0 STUDY SESSION – BUDGET

6.1 Public Comment on Budget

Steve Martinez, CSEA president, commented on the history of how the budget has affected classified employees, including never bringing back eliminated classified positions when the economy thrives.

Paul Seymoure, PVUSD employee, spoke of his concern about the proposed budget reductions, specifically about cuts to transportation. He said that many students are not able to walk to their schools due to the great distances and dangerous roads. He asked the Board to find a more equitable way to charge for busing.

Trustee Hankemeier arrived at 6:45 pm.

6.2 Staff Report

Dr. Mays began the staff report by speaking about what the students of this district lack, including an appropriate counselor to student ratio, full art programs, and other programs that allow students to more competitively enter college. She shared data from EdSource which indicates that California is at the bottom of the list on many of the programs, student to services ratio, etc. She added that when the district looks at what has to be done, it becomes very difficult because the district and state are already at the bear bone. On a positive note, she added that schools are doing wonderful, with great programs and much care from staff.

Terry McHenry gave a brief background on the per pupil revenues from the state, stating that the increase of \$216 per pupil for K-12 is not real revenue as \$90 goes to reinstate direct state payments to STRS, \$110 for higher state debt service on school bonds, making the state and local funds per pupil increase only \$5. He spoke of the revenue limit funding, an increase in property tax not state. He addressed the real increases proposed by the state to equal approximately \$1.8 billion, with the district's share being \$1.8 million in revenue limit including special education and \$500,000 on equalization aid, both figures depending on the passage of Propositions 57 and 58.

He commented on the May state budget revise early, that includes 1.84% COLA for all programs, including revenue limit, special education, transportation and categorical programs; a 0.9% reduction in 3% deficit is also included; a 25% reduction in equalization is proposed; and the elimination of augmentation of instructional materials and deferred maintenance. With the May revise, the district's new share is \$1.8 million in revenue limit including special education, \$375,000 on equalization aid, and \$800,000 on deficit reduction, again with figures depending on the passage of Propositions 57 and 58.

He explained propositions 55, 56, 57 and 58 and how they would affect the state and in consequence the district's budget.

Mr. McHenry then gave the Board a Best Case budget projection for years 04-05, 05-06 and 06-07, which included the assumptions of a COLA increase from 1.84% to 2.7%, a 2.1% deficit reduction, step and column employee salary increase, and a 5% increase in benefits. With the best case budget projection, the district would still need to approve budget reductions for those same years to allow for a balanced budget, reductions that total \$1,889,000 for 04-05, \$1,789,000 for 05-06, and \$1,689,000 for 05-06.

He continued with the Worse Case budget projection, for the same three years, with the assumptions of 0% COLA for 04-05, 2.4% for 05-06 and 2.7% for 06-07; also included would be a 3% deficit reduction, step and column employee salary increase, and a 5% increase in benefits. The budget reductions would be the same as for the Best Case but it would have additional reductions in salary, benefits and transportation to equal \$3,553,763 in savings.

In reference to benefits, he commented that to increase revenue, a projected increase for 04-05 would be of 14%, budgeting a 5% increase. Additional benefits reductions would include re-enrollment, chiropractor and PT carve out, prescription changes and an HMO alternative. Commenting on transportation, Mr. McHenry gave the Board two options that would eliminate the approximately \$1 million encroachment in the general fund. Option #1 would include a increase in secondary walking distance to 5 miles, which reduces secondary riders by 1,000; also included would be enforcing elementary walking distances to reduce elementary riders by 900. Option #2 would eliminate all secondary transportation, reducing rider number by 2,200.

He concluded his presentation giving the Board examples of large alternative negotiable and non-negotiable items that could be implemented.

7.0 UPCOMING BOARD MEETINGS

7.1 February 25, Regular Board Meeting, District Office Boardroom, 292 Green Valley Road, Watsonville, CA. Close Session: 6:00 pm; Open Session: 7:00 pm. Possible discussion on Reorganization.

7.2 March 3, Regular Board Meeting, District Office Boardroom, 292 Green Valley Road, Watsonville, CA. Close Session: 6:00 pm; Open Session: 7:00 pm. Possible action on Reorganization.

7.3 Items for Subsequent Board Meeting Agendas

8.0 ADJOURNMENT

There being no further business to discuss, the study session was adjourned at 8:45 pm.

Secretary