

SPECIAL BOARD MEETING NOTICE AND AGENDA

CULVER CITY UNIFIED SCHOOL DISTRICT Special Meeting of the Board of Education to “Conduct the District’s Business in Public” CLOSED SESSION – 6:30 p.m. OPEN SESSION – 8:00 p.m.

District Office Board Meeting Room
4034 Irving Place, Culver City, CA 90232

February 3, 2010

Persons in the audience during the meeting of the Board of Education are asked not to talk during presentations or the meeting. If conversation with another person needs to take place, please do so outside the Board Room so as not to disrupt others or the meeting. *Please make sure your cell phone is turned off or silenced at this time.*

PRESENTATIONS AND PUBLIC COMMENTS

Persons wishing to address the Board on any item on the agenda will be granted three (3) minutes at the time the item appears on the agenda. In the case of a non-agenda item, persons are invited to comment under “Public Recognition.” In the interest of time and order, presentations from the public are limited to three (3) minutes per person. The total time for non-agenda items shall not exceed twenty (20) minutes. Prior to addressing the Board, please complete a card (located on the table at the rear entrance) and give the card to the Superintendent’s Executive Assistant. Persons addressing the Board are asked to do so from the podium. Please state your name, address, and organization before making your presentation.

1. CALL TO ORDER

The meeting was called to order by _____, at _____ p.m.

Roll Call – Board of Trustees

Steven Gourley, President
Scott Zeidman, Esq., Vice President
Karlo Silbiger, Clerk
Katherine Paspalis, Esq., Member
Patricia Siever, Member

2. PUBLIC COMMENT ON CLOSED SESSION ITEMS

3. RECESS TO CLOSED SESSION

3.1 Conference with Labor Negotiator (Pursuant to GC §54957.6)
Agency Designated Representatives: Patricia Jaffe, Assistant Superintendent, Human Resources, David El Fattal, Assistant Superintendent Business Services; Myrna Rivera Coté, Ed.D., Superintendent; and Steve Andelson, Esq. of Atkinson, Andelson, Loya, Ruud & Romo
Employee Organizations: Culver City Federation of Teachers (CCFT); Association of Classified Employees (ACE); and Management Association of Culver City Schools (MACCS)

3.2 Public Employee Discipline/Dismissal/Release (Pursuant to GC §54947)

- 3.3 Student Discipline (Pursuant to EC §35146; §48918 (c))
a) Expulsion of Pupil Services Case #07-09

4. **ADJOURNMENT OF CLOSED SESSION**

5. **REGULAR MEETING – 8:00 p.m.**

5.1 Roll Call – Board of Trustees
Steven Gourley, President
Scott Zeidman, Esq., Vice President
Karlo Silbiger, Clerk
Katherine Paspalis, Esq., Member
Patricia Siever, Member

5.2 Flag Salute

6. **PUBLIC ANNOUNCEMENT OF ACTIONS TAKEN BY THE BOARD IN CLOSED SESSION**

7. **ADOPTION OF AGENDA**

Recommendation is made that the agenda be adopted as submitted.
Motion by _____. Seconded by _____
Vote _____

8. **ACTION ITEMS**

This is the time of the meeting when members of the audience may address the Board on matters that are on the agenda. Those persons wishing to speak should complete a Speaker's Card and submit it to the Superintendent's Executive Assistant. Routine Board procedure on action items includes: receiving additional background information or analysis from staff; receiving comments from members of the audience; receiving additional information from the Superintendent or other resource personnel; introducing a motion on the item; taking action on the agenda item. Comments by the public will be limited to three (3) minutes per person and twenty (20) minutes per agenda item unless the Board, by majority vote, agrees to extend or reduce the time.

8.1 **Education Services Items**

8.1a Approval is Recommended for the Expulsion of Pupil Services
Case #07-09

Motion by _____ Seconded by _____ Vote _____

9. **PUBLIC RECOGNITION**

Public recognition is the time when members of the audience may address the Board on matters not listed on the agenda. Those persons wishing to speak should complete a Speaker's Card and submit it to the Superintendent's Executive Assistant. In the interest of time and order, presentations from the public are limited to three (3) minutes per person. The total time for non-agenda items shall not exceed twenty (20) minutes. Board members will be allotted fifteen (15) minutes to comment during this portion of the agenda. The Board of Trustees may reduce the time limit(s) if there are a large number of individuals desiring to address the Board.

- 9.1 Members of the Audience
- 9.2 Members of the Board of Education

10. INFORMATION ITEMS

Information items are generally included on the agenda for two reasons: to solicit reactions from the Board and the public on matters which may require Board action at a later date; and to provide information on a wide range of matters of interest to the Board and public. Comments by the public shall be limited to three (3) minutes per person and twenty (20) minutes per agenda item unless the Board, by majority vote, agrees to extend or reduce the time.

- 10.1 Budget Update

11. ADJOURNMENT

Motion by _____ Seconded by _____ Vote _____

REASONABLE ACCOMMODATION FOR ANY INDIVIDUAL WITH A DISABILITY. Any individual with a disability who requires reasonable accommodation to participate in a board meeting, may request assistance by contacting the Superintendent's Office at 4034 Irving Place, Culver City, CA 90232. Phone Number: (310)842-4220 Fax Number: (310)842-4205

FUTURE MEETINGS

February 9 – 7:00 p.m. – Regular Public Meeting, (6:00 p.m. Closed Session), District Office, 4034 Irving Place
February 23 – 7:00 p.m. – Regular Public Meeting, (6:00 p.m. Closed Session), District Office, 4034 Irving Place

NOTE: The CCUSD TIP Hotline is (310) 535-2590. Culver City Unified School District meetings are regularly scheduled for the second and fourth Tuesdays of every month. Public records related to the public session agenda, that are distributed to the Governing Board less than 72 hours before a regular meeting, may be inspected by the public at the District Office, 4034 Irving Place in Culver City during regular business hours (8:00 a.m. to 4:30 p.m.) A complete agenda is available for review in each school office and also available for pickup at the District Office. Visit the Culver City Unified School District Website at www.ccusd.org. Each school office has a suggestion box. We look forward to receiving your comments and suggestions.

BOARD REPORT

02/03/2010

8.1a

8.1a Expulsion of Pupil Services Case #07-09

When students are in violation of Education Code Section §48900 and Board Policy 5144.1, principals may suspend students consistent with Administrative Regulation 5144.1. Certain violations are of a serious nature that requires a recommendation to the Governing Board for expulsion. In such cases a Hearing Panel is formed as outlined in Board Policy to consider the case.

The Culver City High School Principal is recommending expulsion of Pupil Services Case # 07-09.

RECOMMENDED ACTION: That the Board approve the recommendation of Pupil Services Case #07-09 as presented and that the student be placed in County Community Day School or another school determined by his parents, at parental expense, until August 2010.

Moved by:

Seconded by:

Vote:

BOARD REPORT

2/3/10

10.1

10.1 Budget Update

Mr. David El Fattal, Assistant Superintendent of Business Services, will provide an overview of the Governor's proposal for the 2010-2011 State Budget and its impact on the budget of Culver City Unified School District.

2010-2011 State Budget Update

Presented by
David El Fattal

Business Services

January 26, 2010

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Reminder:
First Interim Report

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Key Factors Contributing Toward Positive Certification

- \$1M annual revenue projection from parcel tax
- \$333,585 annually from ADA increase of 63
- \$8.7M in one-time unrestricted monies derived from
 - \$4.2M – ARRA Funds
 - \$3.5M – Deferred Maintenance Fund
 - \$1.0M – CCUSD Categorical Programs
- \$275,000 in one-time relief from CalPERS
- No increases or decreases for employee negotiations
- A minimum of \$450,000 in annual expenditure reductions to be effective 2010-11

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Massive Projected Revenue Limit Reductions

Dec. 15, 2009

- 2009-10: \$ 7,728,399
 - 2010-11: \$ 7,752,985
 - 2011-12: \$ 7,939,226
- \$23,420,610

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CCUSD's Ongoing Annual Deficit Spending Must Be Controlled

- CCUSD continues to annually utilize one-time funds and its ending balance to live beyond its means.
- CCUSD projected deficit spending:
 - 2009-10: \$3,098,345
 - 2010-11: \$2,902,349
 - 2011-12: \$2,219,213
- Rightsizing the Organization

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On The Horizon

- Governor's January State Budget Proposal
 - January 8 – Release of Governor's Proposal
 - January 13 – Budget Conference for LEA's
- Based on the Governor's Budget Proposal, additional budget cuts may be necessary
- Board of Education Budget Workshops
- March 15, 2010

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The Economy

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National Economic Picture

- Recent economic analyses indicate the US appears to be slowly emerging from the recession
- High unemployment, lower property values and poor consumer spending affecting US economy

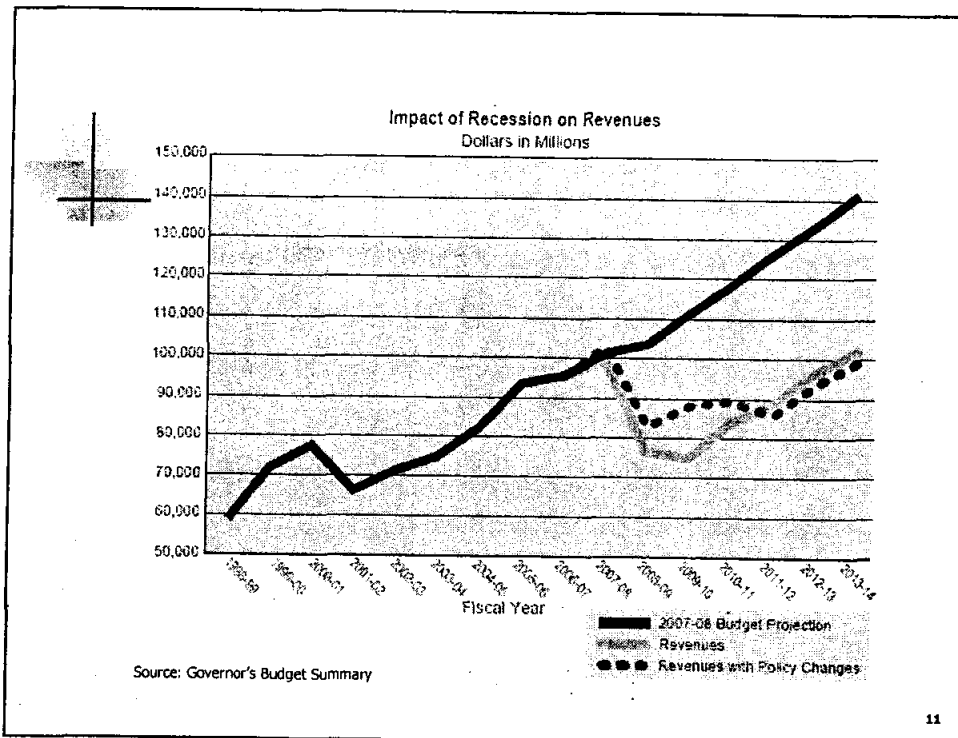
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California Economy

- High unemployment is expected to persist.
- Income and sales tax continue to lag.
- Tourism from out-of-state remains down.
- Real estate/construction are mired in the pits.
- Property taxes continue to have several downward pressures.
- One-time federal funds appear to be a thing-of-the-past.

California Economy

- Baseline state revenue is expected to remain approximately 30 percent lower than 2007-08 projections for several years.
- Bottom Line: 2010-11 promises to be the toughest year of the recession.
- Some Good News On The Horizon:
 - Economic metrics indicate California is slowly emerging from recession.
 - We should benefit in the outyears.



California Revenues

- Major components of the revenue decline:
 - Capital gains taxes (\$8 billion)
 - Income tax on wages (\$6 billion)
 - Taxes on other income (\$7 billion)
 - Sales tax (\$11 billion)
 - Corporate taxes (\$2 billion)
 - Other taxes (\$1 billion)
- Pre-recession revenues are not expected to recover quickly

Overview of Governor's Proposed 2010-11 State Budget

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\$19.9 Billion Deficit Portends Fiscal Emergency

Governor Schwarzenegger:

- Acknowledges a \$19.9 billion deficit over two years (2009-10, \$6.6B; 2010-11, \$13.3B).
- Invokes powers under Proposition 58 and declares a fiscal emergency.
 - The Legislature is required to take action to address the problem within 45 days of the special session being called (by Monday February 22nd) and may not take action on any other legislation during that time period.

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2009-10: \$6.6 Billion of Budget Gimmicks Fail

Some of the major gimmicks that failed to materialize from last year's budget:

- **\$2.4 billion** related to the court decision which limits the state's ability to use "spillover" gasoline sales tax and Public Transportation Account funds to reduce General Fund spending

- **\$1.1 billion** from costs for the corrections receiver that was not included in the budget

- **\$1 billion** from failure to sell the State Compensation Insurance Fund

- **\$972 million** from failure to achieve savings assumed in corrections

- **\$1.1 billion** in federal flexibility for Medi-Cal that was assumed in the budget, but did not occur

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Addressing the \$19.9 Billion Budget Deficit

Proposed Budget Solutions (Dollars in Billions)

	<u>2009-10</u>	<u>2010-11</u>	<u>Total</u>	
Expenditure Reductions	\$1,034	\$7,475	\$8,509	43%
Federal Funds	8	6,905	6,913	35%
Alternative Funding	150	3,736	3,886	20%
Fund Shifts and Other Revenues	0	572	572	3%
Total	<u>\$1,192</u>	<u>\$18,688</u>	<u>\$19,880</u>	100%

Source: Governor's Budget

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2010-11: A \$6.9 Billion Federal Funding Budget Gimmick?

Further reductions to non-education programs will automatically kick in if \$6.9B in federal funds are not obtained. Major reductions include:

- Eliminating CalWORKS program
- Reducing state employee salaries an additional 5%
- Eliminating Healthy Families Program
- Eliminating funding for Transitional Housing Placement for Foster Youth-Plus Program

Without these stated savings, and absent anticipated federal funds, there will be increased pressure to increase cuts to education.

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Governor's 2009-10 Proposal

- No mid-year program cuts
- Categorical sweeps – CSR funding (reversion)
- Categorical flexibility remains unchanged
- No other changes proposed

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Governor's 2010-11 Proposal: Program Reductions

- **\$202 million** due to a negative cost-of-living adjustment (-.38%)
- **\$1.2 billion** from school district revenue limits "targeted to school district central administration." Department of Finance staff has indicated that the proposed budget language will specify the account codes from which expenditures may be reduced. This represents a revenue limit reduction of slightly more than \$200 per ADA.
- **\$300 million** from school district and county office of education revenue limits based on savings from eliminating "barriers to contracting out to enable school districts to achieve cost reductions." This represents a cut of about \$50 per ADA.
- **\$45 million** from county offices of education, based on savings from the consolidation of services and functions through regional consortia (as yet undefined).

Total: \$1.7 billion reduction to programs

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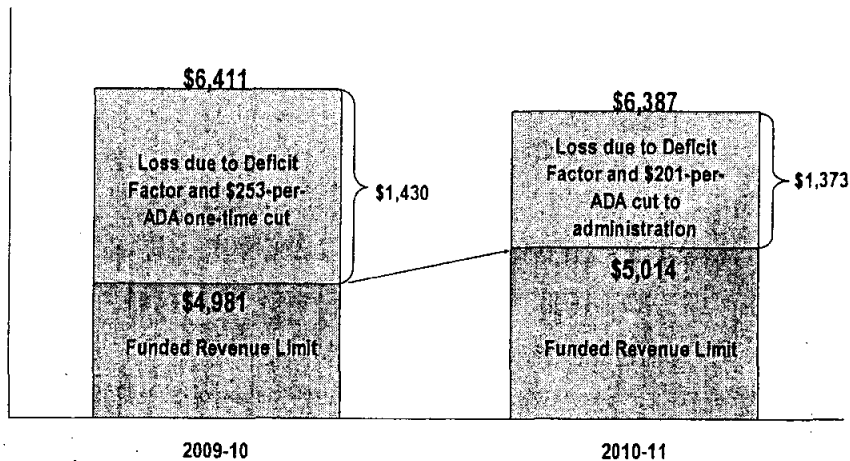
Governor's 2010-11 Proposal: Revenue Limit Calculation

- Negative .38% COLA is applied to base
- Deficit factor remains unchanged
- Proposed cuts are to base; does not increase deficit factors
- DOF notes totality of Governor's cut is equal to the one-time revenue limit cut in 2009-10

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Funded Revenue Limit 2009-10 vs. 2010-11

Example: Average Unified District



Governor's 2010-11 Proposal: Categorical Program Funding

- No new flexibility proposed and no other revisions
- Negative .38% COLA applied to Tier II and Tier III
- Tier I programs remain unchanged

Governor's 2010-11 Proposal: "ARRA" Gonna Fund K-12?

- Governor proposes to back-fill the loss of one-time federal ARRA funding for UC and CSU -- \$255 million each
- Governor does not propose to back-fill the loss of ARRA funding for K-12 education

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Governor's 2010-11 Proposal: Major Policy Changes

- Change state law to give districts the flexibility to layoff and rehire teachers without regard to seniority
- Eliminate the provisions in current law that require laid off teachers to receive first priority for substitute service and be paid at their rate prior to lay-off
- Change the lay-off notice for teachers to 60 days after the state budget is adopted or amended
- Promise of more "comprehensive reform" (TBA)

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Prop 98 & The Gas Tax Swap

- 2010-11: Governor proposes to eliminate the current 16 cents per gallon state sales tax on gasoline
- Replaces it with excise tax of 10.8 cents per gallon
- Transaction eliminates \$1 billion required to be spent on state transit programs
- Because excise tax revenue would not count toward the State General Fund calculation for Prop 98, minimum guarantee for 2010-11 reduced by \$836 million

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State and K-12 Cash Flow

Remaining Deferrals:

1. \$1 billion from **November 2009 to January 2010** - one-time deferral
 2. \$2 billion from **February 2010 to July 2010** - EC Sec. 14041.6(a)
 3. \$678.6 million from **April 2010 to August 2010** - EC Sec. 14041.6(b)
 4. \$1 billion from **May 2010 to August 2010** - EC Sec. 14041.6(b)
 5. \$1.4 Billion of P-2 Apportionment from **June 2010 to July 2010** - EC Sec. 14041.5.
- No current plans for further deferrals "at this time"

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Key Issues

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Massive Projected Revenue Limit Reductions

	<u>Dec. 15, 2009</u>	<u>Jan. 8, 2010</u>
■ 2009-10:	\$ 7,728,399+155,736	= \$ 7,884,135
■ 2010-11:	\$ 7,752,985+155,736	= \$ 7,908,721
■ 2011-12:	\$ 7,939,226+155,736	= \$ 8,094,962
	\$23,420,610+467,208	= \$23,887,818

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The Pressure Is On

- The next three fiscal years are critical for LEAs:
 - Despite rhetoric, Governor's budget does include reductions to LEA revenue limits and categorical programs (central administration cut and negative COLA reduction)
 - Outside of these, LEAs were already facing unprecedented multi-year budget challenges
 - Many districts will need to implement substantial reductions
 - Fiscal situation for LEAs will remain critical thru 2012-13

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Governor's Proposed Cut to "Non-Instructional Central Administration"

- Governor's proposal puts this topic at the forefront
- Details describing how LEAs are to do this have not been provided by the administration.
- This proposal is arbitrary and likely not to pass (same with the teacher seniority and layoff proposals).
- Develop "back pocket, just in case" contingency plan in case it or something like it passes

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Management/Bargaining Unit Shared Issues

- Serious immediate and multi-year budget challenges
- Most difficult years will be 2010-11 and 2011-12
- Layoff and RIF notices
- Collective bargaining
- Employee concessions

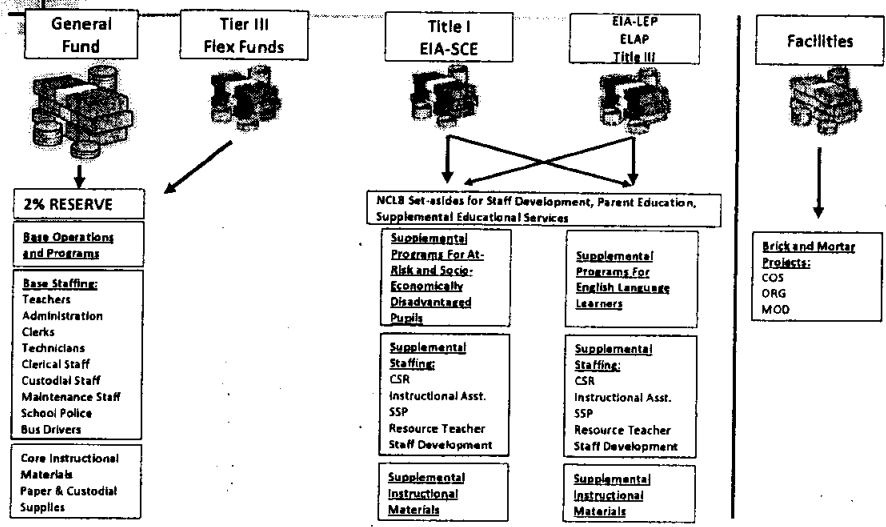
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Employee Concessions

- This year and next, most LEAs will be forced to bargain concessions from employees.
- The most common options to reducing employment costs:
 - More layoffs
 - Furloughs and salary reductions
 - Reducing the school year (i.e. 175 school days flexibility)
 - Eliminating/reducing programs – for example K-3 CSR, transportation, janitorial
 - Cost containment for health/welfare benefits
 - Early retirement incentives
 - Freezing step and column

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District Revenues – We don't have total flexibility in how we spend our dollars.



Data Source: Santa Ana Unified School District

Summary

Governor's Proposed Budget

- For the current year, 2009-10, the Governor's January Budget proposes no change in revenue limit funding, with the deficit factor remaining at 18.355%
- The deficit factor of 18.355% remains unchanged in the 2010-11 budget
- In 2010-11, the statutory cost of living adjustment (COLA) is negative 0.38% and is fully "funded"

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Governor's Proposed Budget

- In addition to the negative COLA and the continuation of the 18.355% deficit factor, the Governor's Budget proposes an ongoing targeted cut of \$1.5 billion in 2010-11
 - \$1.2 billion is aimed at "non-instructional central administration costs"
 - \$300 million from eliminating barriers related to contracting out for services
- The Governor's budget provides no specifics on how this will be implemented

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Impact of Governor's Proposal on CCUSD

- CCUSD continues to annually utilize one-time funds and its ending balance to live beyond its means.
- On December 15, 2009:
CCUSD projected deficit spending was:
 - 2009-10: \$3,098,345
 - 2010-11: \$2,902,349
 - 2011-12: \$2,219,213
- On January 8, 2010:
 - CCUSD projected annual deficit spending is at least \$4,000,000
 - Cut target by March 15 increased from \$450,000 to \$2,000,000 up to \$4,000,000