

From: Jody Rummer

Sent: Wednesday, March 04, 2009 8:50 AM

To: Tim Johnson

Subject: RE: Congrats on Mesquite and question on board packet

Tim,

When we began hearing that the state budget was significantly bad and that we were probably getting mid year cuts, we decided to put together a program to address the ongoing shortfall to our budget. We began to hold forums and gather input from all stakeholders regarding how we might address a significant shortfall to the district budget. Our first budget forum was held on January 20th. We later learned that we would be impacted by mid year cuts that would result in a significant deficit to district revenues in 08/09 as well as in 09/10.

The state budget was passed by the legislature on February 19th and signed into law by the governor on February 20, 2009. Many people were concerned that we would just begin cutting programs such as music, P. E. athletics, etc. We felt that most people we talked to in the forums and the board as a body desired us to take an approach that reduced as equitably and evenly as possible so that we could maintain as many of the educational opportunities we could for the kids to ensure that we were educating the whole child. With that in mind, and given the opportunities that were allowed in the new state budget regarding flexibility, we developed a method whereby we looked at attrition, redundancy, consolidation, and reduction across the district. This process included trying to fully load classes, changing the middle school schedule to accommodate more students, looking at each program to see if it was offered in another arena, looking at services to see if they could be consolidated, looking at courses that were not maintaining student enrollment, and using the State flexibility option as much as possible to maintain categorical program offerings while concurrently backfilling the general fund budget. The process also included using the ideas we received from the budget forums to review line items in the budget and to use methods to mitigate current and ongoing expenses to try to end the year in better stead than we began.

The timeline regarding the budgeting process has been very short. It will have been only 13 days since the budget passed until we must bring a proposal to the board on March 5 which will provide us with opportunities to address the current and future budget shortfalls that we may experience for this year and the coming year. Unfortunately, the March 15 deadline in the law requires us to notice certificated personnel if they may not have a position for the coming year. This timeline requires us to make a decision now regarding how we will be able to address current and future fiscal issues. We do not know how all of the aspects of the state budget will play out over the next several months. Specifically, the state budget will be revised in May. We do not know if the economy will have improved by that time and possibly the future will look brighter or if it will continue to decline. Also, there are 3 propositions that must go to the voters on May 19 regarding implementation of this budget.

- Proposition 1A is a measure to securitize the state lottery, taking schools out of the lottery and allowing the state to sell bonds to help balance the budget in the 2009/10 fiscal year and possibly later. The first use of any unanticipated new revenues would be used to satisfy any outstanding Proposition 98 obligations for that year. Schools could see an increase in Proposition 98 funding to accommodate the loss of lottery revenue.
- Proposition 1B if approved by the voters revises the state's Budget Stabilization Fund. This is significant to K-12 education because the first use of unanticipated revenues would be to satisfy any outstanding Proposition 98 obligations. Also, if approved, the new revenues would be in place for the current year plus the next four budget years. If not approved, the new revenues would be in place for the next 24 months. This measure also determines whether our flexibility option with categoricals is 2 years or 5 years.
- Proposition 1C if approved is a constitutional amendment that would provide \$9.3 billion in supplemental payments to schools and community colleges in supplemental payments

in lieu of a maintenance factor. However, my understanding is that this measure would permanently rebase our Proposition 98 guarantee to a lower level. We do not know what kind of impact the vote will have on the state budget regarding implementation of the budget at the district level. We know that our secondary enrollment level is declining while our elementary level appears to be increasing. We do not know if that trend will continue. We will not know the full impact of our budget mitigation strategies until after the year is over.

My staff and I have fully analyzed our budget in reference to the options outlined in the state budget at this time. We have tried to analyze every option available to us over the next two years in an effort to allow us to have the flexibility that may be necessary in order to maintain fiscal solvency. Our approach was not the worst case scenario. We tried not to eliminate any of the programs that contribute to the education of the whole child. Programs that were eliminated were programs that were offered in another arena I. E. driver's ed and CDS; or that lacked sufficient enrollment at this time. All other programs have been maintained even though the services may be somewhat reduced. We did not eliminate class size reduction at the elementary school. We are asking, however, that we be able to have the option to fill classes to a capacity up to 25. 9th grade CSR is in the full flexibility option and we are recommending that we be able to fully load those classes in order to have full use of that funding in the unrestricted general fund.

Over the next board meetings, I will be presenting the best information I have regarding the budget and how to address the budget shortfall. Unfortunately, it means that I must recommend to the board that we notice personnel. As time passes, we will have more information regarding the budget and will be able to better understand its full impact to the district. Until then, I must make decisions and recommendations that I know will keep the district solvent, now, and in the future.

From: Tim Johnson
Sent: Sunday, March 01, 2009 10:26 AM
To: Jody Rummer
Subject: Congrats on Mesquite and question on board packet

Jody,
This is an awesome recognition for Mesquite!

I have a few questions from the 3-5-09 board packet.

In the section 8.4

1. How were the elementary school positions chosen? by DATA seniority? lack of enrollment?

Other than one special day class position, I am not requesting reduction of any elementary positions other than those associated with the CSR flexibility option. I am not recommending the worst case scenario regarding class size reduction. The worst case scenario for elementary would be that I would recommend elimination of CSR. I do not believe that this measure is warranted at this time. However, I do believe that the district must prepare to be able to use the flexibility option regarding increasing the class load of elementary CSR to 25. This could be a cost savings to the district of approximately \$436,897. I believe that we will need this flexibility in order to transition through this difficult time. This decision was not based upon lack of enrollment at the elementary level. We actually increased in enrollment so far this year. The process for notification of certificated teachers is defined in law and in our contract with DATA.

2. How were the middle and high school positions chosen? by DATA seniority? lack of enrollment in courses? prioritized by subject matter...i.e. core subjects, electives, etc?
At the secondary level, we have seen a decline in enrollment. Classes are not fully loaded. Some courses are redundant or lack needed student participation. We also have a 9th grade CSR flexibility option. Staff at the cabinet level analyzed options available to us through our defined process of attrition, redundancy, consolidation, and reduction. We also were guided by the parameters of the state budget and our contract. If a course could be taken somewhere other than at the high school, it was recommended for elimination. If we could combine or consolidate FTE to address courses due to declining enrollment, we reallocated FTE according to teacher's subject area designation. If a course lacked necessary enrollment, it is being recommended for elimination. We revised the schedule at the middle school which allowed courses to be more equally addressed and more easily scheduled allowing full access to all students. We asked athletics to take a 15% cut to the district funding of their budget. The priority was to try to maintain all services to our students to ensure that we were educating the whole child. We are trying to achieve this by looking at attrition, redundancy, consolidation, and reduction. Again, the law and the contract determine who receives notification.
3. Who choose the criteria?
Through the input that was received from the budget forums, meetings with management, and from our understanding of what the board desired, I made the ultimate decision on how to proceed and on what to recommend to the board. And, based upon the guidelines and allowances of the newly adopted state budget, I worked closely with cabinet members and other management to develop a recommendation for the board.
4. Do the management positions include the district office?
Management positions were chosen through attrition, consolidation and reduction. Mr. Carter retired leaving a management position to be filled. We looked at all management to determine if the position could be appropriately filled from within management. Mrs. Acosta has experience at the elementary level as a principal and she was in a district level position. She and Elaine L. determined that they could consolidate their energy to fill the majority of Mrs. Acosta's PPS position allowing Mrs. Acosta to fill Mr. Carter's position full time. In essence, we have 2 management filling 3 positions. In looking at other positions, secondary has seen a decline in enrollment. An appropriate action at this time would be to reduce secondary management. A middle school assistant principal will be noticed allowing the person currently serving as Dean at the high school to backfill the assistant principal position at the middle school. Mr. Bell has been assigned to assist BHS as much as is necessary to backfill the vacant Dean position. A third management position will also be noticed. This position has been used within the district on and off over the past several years, but during these difficult times, we must consolidate our efforts. It is Mrs. Janson's responsibility to work with classified management to manage any shortfall in services as a result of this reduction. We are currently evaluating elementary summer school to determine if it is a redundant program. Needed intervention can be accomplished throughout the school year. This allows us to reduce the Alternative Education principal by 20 days a year. Mrs. Kennedy will be responsible to manage secondary summer school.
5. What are the percentages in both dollars and numbers of positions in each of the categories?
A desire to share the discomfort of budget cuts in order to preserve the breadth of educational opportunities for our kids was evident during discussion. During our analysis, it was determined that an approximate 10% – 15% reduction was an appropriate recommendation for reduction of services allowing us to respond to any budget situation that may arise yet still enabling us to maintain most if not all offerings for students. The

10% – 15% figure came from our analysis including the amount of budget shortfall that the general fund and categoricals might ultimately experience. I can give you the percentages in positions in each category as they stand right now, however, the calculation of percentages regarding dollars becomes complicated because some of the funding is unrestricted general fund and some of it is restricted general fund (categorical) so I am still working on that calculation.

Unit	# in Unit	# Noticed	% of
Certificated	297	44	14.81%
DAGA	14	2	14.29%
Management	28	3.1	11.07%

I wish I was able to attend the school forums when these decision were discussed. Are there minutes/notes/highlight from these meetings?

If you go to our website, there is a message that allows you to access the database containing all of the budget forum ideas.

When we start affecting people's livelihood... a lot of emotions are exhibited...and most of them are not pleasant. As a district we need to make sure we do everything above board and with an agreed upon process. Trust and honesty are two things that will keep the district together through these tough fiscal times.

I am trying to communicate as much as possible with the board and staff as we proceed through this process. All of my communications to the board and staff are posted for the community to access. We also send a copy to the newspaper. The newspaper attends all of our meetings. We have not had any closed meetings regarding this process. I know this is a difficult time for everyone. We are trying to do our best to mitigate the negativity of the situation. The March 15th deadline is unfortunate. We have to notice people before we have valuable information that could make our decisions different. At this point, we have to make our decisions based upon the best information we have at this time. There are 6 months from now until August when school starts. We, hopefully, will have a much better idea of where we stand by that time. We are still striving to mitigate expenses and work toward a better fiscal position for the district. We have tried and continue to try to be sensitive to staff during this difficult time. We have developed a process to notify affected staff and to work collaboratively with DATA and DAGA throughout the notification process to ensure that each affected staff member is aware of his or her rights under the process.

Thanks in advance for this info,
V/R
From Iraq,
Tim

From: Jody Rummer
Sent: Thu 2/26/2009 10:36 PM
To: Board Members
Subject: Emailing: FW O'CONNELL RECOGNIZES 14 OUTSTANDING CONTINUATION HIGH SCHOOLS (2).htm

<<FW O'CONNELL RECOGNIZES 14 OUTSTANDING CONTINUATION HIGH SCHOOLS (2).htm>>

The message is ready to be sent with the following file or link attachments:

FW O'CONNELL RECOGNIZES 14 OUTSTANDING CONTINUATION HIGH SCHOOLS (2).htm

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