

SIERRA SANDS UNIFIED SCHOOL DISTRICT
Board of Education
Regular Meeting
To be held concurrently with the regular meeting of

July 14, 2011
Ridgecrest City Council Chambers
100 West California Avenue
www.ssusd.org

We, the members of the Board of Education of the Sierra Sands Unified School District, are committed to providing the highest quality education in a safe environment to all K-12 students. We believe the school shares with the family, church, and community the responsibility for developing life-long learners who are responsible, productive citizens.

A G E N D A

CALL TO ORDER AND PLEDGE TO THE FLAG

7:00 P.M.

Amy Covert
Judy Dietrichson
Bill Farris
Tim Johnson, Vice President/Clerk
Tom Pearl, President
Kurt Rockwell
Michael Scott

Joanna Rummer, Superintendent

MOMENT OF SILENCE

1. ADOPTION OF AGENDA

2. GENERAL ADMINISTRATION

2.1 The Board Will Consider Approval of Resolution #01 1112 and Discuss Further Action to Notify Legislators Regarding the Affect the Approved State Budget and Education Trailer Bills Will Have on Sierra Sands Unified School District

3. BUSINESS ADMINISTRATION

3.1 Request Approval of Change of Lease Purchase Arrangement and Approval of Resolution #02 1112 Regarding Personal Property Lease with an Option to Purchase Agreement

4. ADJOURNMENT

2. GENERAL ADMINISTRATION

2.1 The Board Will Consider Approval of Resolution #01 1112 and Discuss Further Action to Notify Legislators Regarding the Affect the Approved State Budget and Education Trailer Bills Will Have on Sierra Sands Unified School District

BACKGROUND INFORMATION: On June 28, 2011, the last day of the 2010-11 fiscal year, Governor Jerry Brown signed a number of Trailer Bills to complete the enactment of the State Budget for 2011-12, most notably AB 114, the Education Trailer Bill, and AB 121, which outlines the triggers for possible midyear reductions for 2011-12.

CURRENT CONSIDERATIONS: Public education in California occupies a low priority. Education spending has been reduced from near the bottom of the rankings of the states to the absolute bottom. Over the past four years, public education has suffered greater real cuts than any other segment of the State Budget. While receiving no gain from a forecast that state revenues are up, public education is threatened with further cuts unless these estimated revenues materialize.

This bill mandates interference by the State Legislature into the local school district budgeting process. We have serious concerns about the provisions in AB 114 that appear to override local decision making authority by directing local agencies to use particular assumptions in preparing their revenue and expenditure budgets. The restrictions on local control are totally unrelated to balancing the Budget. School districts have been directed that they shall budget potentially unrealistic revenues and maintain current programs and staffing levels which are not essential to the fiscal solvency of the state. Districts are prohibited from assuming the trigger language in this Budget. The Budget reflects another manipulation to lower the Proposition 98 guarantee without a formal suspension. School districts are required to adhere to minimal levels of reserves and a complete watering down of multiyear planning forcing school agencies to maintain minimum solvency standards placing local educational agencies in a precarious financial position.

FINANCIAL IMPLICATIONS: The good judgment and prudent planning of local school boards, district administrators and county offices of education have kept our district financially solvent during these troubled times. Fiscal implications of this budget are unknown at this time.

SUPERINTENDENT'S RECOMMENDATION: It is the recommendation of the superintendent that the board review and consider adopting Resolution #01 1112 as presented and discuss further action regarding communication with legislators.

BEFORE THE GOVERNING BOARD OF THE
SIERRA SANDS UNIFIED SCHOOL DISTRICT
COUNTY OF KERN, STATE OF CALIFORNIA

RESOLUTION #01 1112

RESOLUTION OF THE BOARD OF EDUCATION OF THE SIERRA SANDS UNIFIED SCHOOL DISTRICT IN PROTEST OF STATE OF CALIFORNIA BUDGET AND TRAILER BILLS, AB 114 AND AB 121, AND THEIR NEGATIVE EFFECTS ON THE EDUCATION OF THE STUDENTS OF CALIFORNIA AND SIERRA SANDS UNIFIED SCHOOL DISTRICT

WHEREAS: State revenues are projected to rise billions above the January estimates and education gets none of it,

WHEREAS: The budget bill just “squeaks by” being balanced, and schools are still at risk being owed \$20 billion in deficit restoration and deferral reductions and a “wall of debt” exceeding \$30 billion is still facing the State going forward,

WHEREAS: Notwithstanding any of the standards and criteria adopted by the State board pursuant to Section 33127, each school district budget is required to project the same level of revenue per unit of average daily attendance it has received in the 2010-11 fiscal year,

WHEREAS: The District is prohibited from assuming the trigger language this budget will produce in February which may lead to a mid-year cut even though AB 121 (Education Trailer Bill) clearly specifies that schools would be cut by nearly \$1.8 billion if revenues come in below estimates,

WHEREAS: Districts are directed not to plan or set aside reserves for the possibility of a cut,

WHEREAS: In order to manage mid-year cuts, reduced number of days in the school year must be bargained,

WHEREAS: The District shall not be required to demonstrate that it is able to meet its financial obligations for the two subsequent fiscal years,

WHEREAS: AB 114 (Education Trailer Bill) provides for a one year suspension of the August 15 teacher layoff window which is an intrusion into the ability of the District to manage its own resources,

WHEREAS: Money driven by K-12 ADA growth related to child care programs belongs in Proposition 98 and therefore the rebenching of the Proposition 98 guarantee is unconstitutional,

WHEREAS: AB 114 (Education Trailer Bill) redirects a portion of the state sales tax to local government which reduces the minimum guarantee under Test 1 of Proposition 98 with a skeptical promise of backfilling this loss in the future,

RESOLUTION #01 1112 (continued)

WHEREAS: AB 114 (Education Trailer Bill) non-financial provisions including the District being required to maintain current programs and staffing levels represents some of the worst public policy regarding restrictions on local control and are totally unrelated to balancing the budget,

WHEREAS: the State has intruded on the ability of school boards to manage their own resources substituting their judgment for that of those who live in the communities affected, and limiting the fiduciary responsibility for the District which is held accountable for student outcomes,

WHEREAS: AB 114 (Education Trailer Bill) appears to override local decision making authority, heretofore unheard of interference by the State Legislature into the local school district budgeting process, by directing local agencies to use particular assumptions in preparing their revenue and expenditure budgets and mandates,

WHEREAS: California has consistently shown that public education occupies a low priority being reduced from near the bottom of the rankings of the states to the absolute bottom with the largest class sizes, fewest counselors, school nurses, librarians, classified employees and administrators in the nation,

WHEREAS: Over the past four years, public education has suffered greater real cuts than any other segment of the State Budget,

WHEREAS: the Sierra Sands Unified School District will continue to develop and manage its budget following the recommended guidance from knowledgeable experts in fiscal management, successful policies and practices including a multiple year projection, and will consider the advice and recommendations of experts in fiscal oversight including the Kern County Office of Education.

NOW, be it resolved that the Board of Trustees of the Sierra Sands Unified School District requests that state legislators consider the facts contained herein during future budget deliberations.

Motion made by: _____, Second by: _____

AYES: _____ NOES: _____ ABSENT: _____

Tom Pearl, President

Tim Johnson, Vice President

Amy Covert

Judy Dietrichson

Bill Farris

Kurt Rockwell

Mike Scott

Joanna Rummer, Superintendent

3. BUSINESS ADMINISTRATION

3.1 Request Approval of Change of Lease Purchase Arrangement and Approval of Resolution #02 1112 Regarding Personal Property Lease with an Option to Purchase Agreement

BACKGROUND INFORMATION: At the June 16, 2011 board meeting the board authorized the district to enter into a contract with Bear Data Systems, Inc. for the lease purchase of voice over IP equipment utilizing Inyokern Schools Financing Authority monies.

CURRENT CONSIDERATIONS: The previously approved authorization for the lease purchase was with Bear Data Systems, Inc. Bear Data Systems only provides the acquisition of the system through CMAS. Cisco Capital/Key Government Finance, Inc. provides the lease portion of the agreement. We are requesting a change to the authorization for the lease portion of this agreement be changed to Cisco Capital/Key Government Finance, Inc. In addition, Resolution #2 1112 makes findings required by Education Code Section 17597 that the property is equipment and that this process is the optimal method for providing that property to the school District. The agreements have been reviewed by legal counsel and have been found to be suitable for our use and are satisfactory in both form and legality. They comply with the law and the authority for the District's actions.

FINANCIAL IMPLICATIONS: There are no changes in financial implications to the previously authorized lease purchase agreement.

SUPERINTENDENT'S RECOMMENDATION: It is recommended that the Board of Education approve the change in lessor of the previously authorized lease purchase agreement from Bear Data Systems, Inc. to Cisco Capital/Key Government Finance, Inc. and approve Resolution #2 1112 Regarding Personal Property Lease with an Option to Purchase Agreement.

**Resolution #2 1112 of the Governing Board
Of the Sierra Sands Unified School District
Regarding Personal Property Lease
With an Option to Purchase Agreement**

1. Authority and Reasons for Adopting Resolution.

a. Education Code Section 17597 permits this governing board to sell any electronic data processing equipment, other major items of equipment, or any relocatable building owned or to be owned by the school district to a purchaser if the purchaser agrees to lease the equipment or building back to the school district for use by the school district following the sale.

b. This district has, after complying with the provisions of the Public Contract Code and Education Code regarding the purchase of such items, contracted to purchase the personal property identified in Exhibit "A."

c. The personal property identified in Exhibit "A" is the subject of a lease with option to purchase agreement ("the lease") between Key Government Finance, Inc. ("Lessor") and this district proposed to be entered into pursuant to the authority of Education Code Section 17597.

2. What this Resolution Does.

This resolution makes various findings required under Education Code Section 39645.5 and authorizes the district superintendent to execute the lease with option to purchase agreement between Lessor and this district on its behalf.

3. Findings Required by Education Code Section 17597.

This board finds that the personal property which is the subject of the lease is either a major item of equipment or a relocatable building and further finds that the proposed lease with option to purchase of that personal property is the most economical means for providing that property to the school district.

4. District Superintendent Authorized to Execute Lease.

Based on the recitals and findings above, this board authorizes the district superintendent to execute the lease with an option to purchase on its behalf and to take any other action necessary and appropriate to implement this resolution.

5. Certification of Resolution.

I, _____, _____ of the Governing Board of the Sierra Sands Unified School District of Kern County, State of California, certify that this Resolution proposed by _____, seconded by _____, was duly passed and adopted by the Board, at an official and public meeting this _____ day of _____, 2011, by the following vote:

AYES:

NOES:

ABSENT:

_____ of the Board of
the _____ District
of _____ County, California