



BOARD OF EDUCATION
SPECIAL MEETING

AGENDA

BOARD OF EDUCATION David Barnes, President Mary Burns John Chavez Sandra Ruane
SUPERINTENDENT John P. Wilson, Ed.D

SPECIAL BOARD OF EDUCATION MEETING

7:00 P.M., MONDAY, FEBRUARY 24, 1992

EDUCATION CENTER BOARD ROOM #16 - 3924 Riverview Drive, Riverside, CA

OPENING

Call to Order

(President Barnes)

Roll Call: Mr. Barnes, Mrs. Burns, Mr. Chavez, Mrs. Ruane

Flag Salute

(Mr. Barnes)

AGENDA

- * A. Make Provisional Appointment to Fill Board Vacancy in Trustee Area 5
(Dr. Wilson)

Applications for the vacancy in Trustee Area 5 were submitted by the following people:

Tom Buckingham
Betty Folsom
Faye Guerrero
Ted Hood

Sam Knight
Esther Ober
Patricia Spicer

The Selection Process, included as a supporting document, is the procedure by which the Board will make a provisional appointment to fill the vacancy created by the resignation of former board member Jose Medina.

President Barnes will administer the Oath of Office to the newly appointed Board member who will then be seated. Board members may wish to extend congratulations to the new member.

A formal ceremony including re-administering of the Oath of Office to the new Board member will be held in public session at the beginning of the March 2 regular meeting.

* **B. Provide Direction for 1992/93 Budget Preparation**

(Dr. Wilson)

On January 9, 1992, Governor Wilson released his Proposed Budget for 1992/93, which attempts to address the fiscal crisis that exists in the State of California. As a result of a continuing recession that is being described as the worst since the 1930's, the State revenue shortfall of \$2.7 billion in the current year is expected to grow to \$5 billion in the 1992/93 fiscal year.

The Governor's Budget represents the best information available from the State at this time as to what the District might expect, and we have historically used it as the basis for developing preliminary budget projections. In the past, we tended to regard the Governor's Budget as a pessimistic or "worst case scenario". For 1992/93, however, it is very likely that it represents the most optimistic scenario.

Based upon the Governor's Proposed Budget, a Preliminary 1992/93 Budget projection for the District has been developed. This projection has been prepared using the 1991/92 Budget as a base, which has been adjusted according to a series of assumptions concerning changes in revenue and expenditures expected for 1992/93. The Preliminary Budget Projection and the assumptions used to generate it are included in the supporting documents.

The first step in developing the 1992/93 Preliminary Budget was to project a beginning balance, which essentially consists of the 1991/92 ending balance carried over into the next fiscal year. The estimated unrestricted beginning balance is \$1,666,236, with an additional \$193,064 that is restricted to categorical programs.

Revenue has been estimated using a projected enrollment of 16,198 students, which represents an increase of 277 students (1.7%) over the current year. This is a conservative projection which assumes relatively low growth due to the slowdown in new housing construction that has resulted from the recession. Other major revenue assumptions, as listed in the supporting documents, include a 1.5% COLA, continuation of Supplemental Grant funding, lottery funds estimated at \$85 per ADA, and other funding continued at the 1991/92 level. Based on these assumptions, revenue for 1992/93 will be \$61,176,944. Adding this figure to the beginning balance results in total resources of \$63,036,244.

Expenditures have been projected by applying standard budget allocation formulas for staffing and supplies to the projected enrollment. In addition, assumptions have been made encompassing anticipated expenditure increases in the areas of salaries and payroll costs, additional personnel, utilities, and capital outlay. Using this method, estimated expenditures for 1992/93 are \$64,835,371. Including a 3% reserve as required by the State, increase this figure by \$1,945,062 for a total of \$66,780,433. When total resources are compared to total expenditures, including an adequate reserve, the projected deficit is \$3,744,189.

As additional budget cuts are contemplated, it is important to remember that 1992/93 will be the third straight year that sizable expenditure cuts have been required. In 1990/91 and 1991/92, over \$7 million was trimmed from our budget. In order to gain a perspective on the magnitude and depth of budget cuts in those two years, a comprehensive list is provided here.

* B. Provide Direction for 1992/93 Budget Preparation (Cont'd)

Budget Reductions Since January 1990

1990/91 Budget Cuts (January 1990 - June 1991):

1. Conferences, consultants, and supplies	\$ 254,078
2. Capital Outlay	600,000
3. Instructional supply allocations	200,000
4. 13 positions in grounds, custodial and maintenance services through attrition	429,513
5. Elementary Vocal Music Program	85,416
6. Ten Board approved Management positions including:	
one Librarian	
one Assistant Director of Transportation	
two Elementary School Assistant Principals	
four District level Certificated Management positions	
one Supervisor of Custodial Services	
one Director of Maintenance and Operations	
Total of ten positions	851,200
7. Management/Confidential salary savings at 4% COLA	266,524
8. Middle School Reform, Performing Arts, Elementary After-school Recreation supplies and transportation, instructional equipment replacement, CERC, County film contract and video cassette library	<u>185,000</u>
	Sub-total
	<u>\$ 2,871,731</u>

1991/92 Budget Cuts:

1. Athletics = 50% reduction	288,000
2. IMC reductions	61,978
3. Director of Administrative Services	86,998
4. 1.5 nursing positions	89,160
5. Two Psychologists	149,760
6. Two Middle School Assistant Principals	136,452
7. Four grounds workers and supplies	168,204
8. Elementary Vocal Music Program	51,141

* **B. Provide Direction for 1992/93 Budget Preparation (Cont'd)**

1991/92 Budget Cuts: (Cont'd)

9. Late busses at Middle Schools	39,186
10. Activity Supervisors = reduced two hours	37,000
11. Elementary Media Center Clerks = reduced two hours	79,041
12. Selected Student Special Events	7,000
13. Three Continuation Education teachers	170,595
14. Conferences and workshops	42,000
15. Curriculum and Assessment	75,000
16. Public Information Officer	38,000
17. One Print Technician	39,383
18. Ten custodial positions	317,130
19. Energy conservation	25,000
20. One High School Assistant Principal	78,111
21. Maintenance (one plumber, one maintenance worker, and supplies)	114,126
22. Instructional supplies	200,000
23. Delay opening Granite Hill Elementary	130,000
24. Transportation savings/Jurupa Valley High School seniors	47,895
25. Sick Leave Incentive Program	18,000
26. Substitute teachers	3,000
27. Elementary Summer School Principal	4,000
28. One Purchasing Clerk	27,817
29. Adult Education administrative costs	30,000
30. One elementary Principal	66,896
31. One high school Dean	66,928
32. Miscellaneous (printing, office supplies, travel, periodicals and magazines, memberships, etc.)	25,770

* B. Provide Direction for 1992/93 Budget Preparation (Cont'd)

1991/92 Budget Cuts: (Cont'd)

33. Delay implementation of 1991/92 basic Certificated salary schedule until February 1, 1992	909,779
34. Certificated unit health and welfare benefits reduction \$500	321,250
35. Management/Confidential/Board health and welfare benefits reduction \$500	30,500
36. Teachers' extra comp frozen at 1990/91 level	37,000
37. Special Education transportation reduction	<u>125,464</u>
Sub-Total	<u>\$ 4,137,564</u>
GRAND TOTAL	\$ 7,009,295

There can be no doubt that the level of programs and services provided in the District in many areas has been drastically reduced, and in some cases programs have even been eliminated. Because of these reductions, the level of service in many areas is only barely acceptable, and further reductions are not possible. Therefore, as we look at expenditure reductions for 1992/93, our alternatives are more limited than they have been, and the choices that must be made will be even more difficult.

As District Administration developed a plan to balance the 1992/93 Budget, constructive suggestions for budget reductions were solicited from District personnel and the community. In addition an extensive list of ideas received last year was analyzed as part of this process.

In light of the past cuts previously referred to, the gap between revenues and expenditures took on enormous proportions. As a first step in closing the budget gap, it is proposed that the 1.5% COLA for 1991/92 that is funded by the PERS transfer be included as part of the 3% reserve requirement for 1992/93. To date, this money (\$668,000) has not been counted as income because the action of the legislature transferring this money from PERS accounts is under litigation. In order to include it in the reserve, it will be counted as income for 1991/92, and will increase the 1992/93 beginning balance from \$1,666,236 to \$2,334,236. This would increase total resources from \$63,036,244 to \$63,704,244, and reduce the gap between total resources and estimated expenditures from \$3,744,189 to \$3,076,189.

There are only two viable options for closing the remaining gap to balance the budget. Option 1 is to further cut programs and people. Option 2 is to maintain and/or return all employees' salaries to the level they were on September 1, 1991. This would result in a reduction of 6% on the Certificated Salary Schedule, bringing it into line with the Classified and Management Salary Schedules. The Certificated Salary Schedule, however, would still be the highest in the Inland Empire. Both options are outlined in detail below.

***B. Provide Direction for 1992/93 Budget Preparation (Cont'd)**

OPTION 1 CUTS

1. Reduce secondary teachers by 10	\$ 400,000
2. Eliminate the ROTC programs	200,000
3. Eliminate the remaining athletic programs	285,292
4. Close pools	38,692
5. Eliminate additional clerk typist positions	139,690
6. Eliminate Proposed Dispatcher	45,000
7. Eliminate High School stipends: Activity Advisors & Dept. Chairs	148,000
8. Eliminate Elementary Group Leaders	20,000
9. Eliminate Elementary Instrumental Music Teachers	169,469
10. Eliminate K-8 After School Recreation	17,000
11. Eliminate Elementary Media Clerks	118,723
12. Eliminate 11 Guidance Coordinators and replace with 8 Counselors	243,000
13. Eliminate 4 Middle School Counselors & replace with 2 Middle School Assistant Principals	156,484
14. Eliminate 2.7 Nurses	156,300
15. Eliminate Middle School Teachers' Extra Duty	23,000
16. Eliminate 6% improvement in Classified Salaries	510,378
17. Eliminate 6% improvement in Management Salaries	222,288
18. Eliminate vacation pay for one employee	23,210
19. Delay action on Magnet Schools	200,000
TOTAL	\$3,116,526

* B. Provide Direction for 1992/93 Budget Preparation (Cont'd)

OPTION 2 CUTS

1. Reduce the Teacher Salary Schedule to its 9/1/91 level	\$2,074,848
2. Eliminate 6% improvement in Classified Salaries	510,378
3. Eliminate 6% improvement in Management Salaries	222,288
4. Eliminate vacation pay for one employee	23,210
5. Delay action on Magnet Schools	200,000
6. Make miscellaneous additional cuts	45,465
TOTAL	<u>\$3,076,189</u>

Board members will note that neither option envisions further cuts in administration. They will recall that it was the plan of the District to make cuts in this area early on. The impact of these early cuts is listed below:

1. The Education Code provides for a ratio of 8 administrative employees for each 100 teachers in unified districts. The district is now 42% below this allowance.
2. The District's Administrator-Teacher ratio has dropped from 7.4 in 1988 to 4.6 in 1991. This is a 38% reduction in the ratio of administrators to teachers.
3. Expenditures for administrative salaries were reduced by \$339,043 in 1991/92. This is a 16.6% reduction for that one year only.

Administration believes that the budget gap should be closed pursuant to Option 2.

Such an approach to the budget as is proposed in Option 2 does eliminate the opportunity to reduce expenditures by reducing certificated personnel in that they must be given notice of layoff prior to March 15, 1992. In addition it greatly restricts the District's financial resources as it continues to negotiate with classified employees and initiates negotiations with the certificated bargaining unit.

Administration believes that such a budget would protect the District even in such worst cases as failure to have access to the PERS money in the amount of \$668,000 and the State taking action to reduce district income below that proposed in the Governor's budget.

It also leaves open the possibility that salaries and/or benefits could be improved or programs reinstated should events occur such as:

1. An increased beginning balance.
2. Additional savings are identified such as in Health and Welfare costs by elimination of the TSA option.
3. Increased revenue to the General Fund from any source such as charging for busing.

Recommendation: The Board direct administration to develop the 1992/93 Budget pursuant to the Option 2 proposal.

**Jurupa Unified School District
SELECTION PROCESS
BOARD OF EDUCATION VACANCY - TRUSTEE AREA 5**

SCHEDULE

Tuesday, February 11, 1992

Application forms due in Superintendent's office by 4:30 pm.

Wednesday, February 12, 1992

Copies of all applications will be sent to Board members for review.

Thursday, February 13, 1992 through Tuesday, February 18, 1992

Time to check references at Board members' option.

Monday, Special Meeting, February 24, 1992

Candidate presentations will be heard. The Board will then select and appoint new Board member.

BOARD INQUIRIES

Before the February 24 Special Meeting, individual Board members may call references and/or applicants for more information.

CANDIDATE PRESENTATIONS

At the February 24 Special Meeting, candidates will be invited to make a short verbal statement limited to 3 minutes. Lots will be drawn to determine order of presentation. Candidates will be requested to wait outside or in the Superintendent's office while other candidates are making presentations. Board members may choose to ask questions of the candidates.

SELECTION

Board members will use signed tally forms for all nominating and voting. The Board President and Secretary will announce and record individual nominations/votes.

1. Each Board member will nominate 1 candidate from those who applied. If a candidate is nominated by 3 or 4 Board members the selection has been made. If no candidate receives at least 3 nominations, those candidates who were not nominated are eliminated.
2. Each Board member will vote for 1 of the candidates initially nominated. If a candidate receives 3 or more votes, the selection has been made. Candidates receiving no votes will be eliminated.
3. As may be necessary, the Board will vote 2 additional times. If a candidate receives 3 votes on a ballot, the selection has been made. Any candidate failing to receive a vote on a ballot will be eliminated.
4. If a selection has not been made at this point, the Board should discuss whether they wish to continue voting, discuss the remaining nominees before continuing to vote, re-start selection process at Step 1, defer further voting to the next Board meeting, or reopen public applications and start over.

APPOINTMENT

President David Barnes will administer the Oath of Office to the newly appointed Board member who will then be seated with the Board.

A formal ceremony including re-administering of the Oath of Office to the new Board member will be held in public session at the beginning of the March 2 regular meeting.

Jurupa Unified School District

1/29/92
Rev. 3

1992-93 PRELIMINARY BUDGET PROJECTION

o Estimated Unrestricted Beginning Balance	\$ 1,666,236	
o Estimated Restricted Beginning Balance	193,064	
o Estimated Revenue	<u>61,176,944</u>	
TOTAL RESOURCES		\$63,036,244

ESTIMATED EXPENDITURES:

o Certificated Salaries including Management	\$36,253,634	
o Classified Salaries including Management	9,113,607	
o Fringe Benefits	9,980,885	
o Books and Supplies	2,566,010	
o Services, Utilities, Contracts, Rentals	5,374,547	
o Capital Outlay	250,593	
o Other Outgo, Indirect Support, Transfers Out and Uses	<u>1,296,095</u>	
ESTIMATED EXPENDITURES		<u>\$64,835,371</u>

DEFICIT Without RESERVE \$ 1,799,127

3% RESERVE 1,945,062

DEFICIT With 3% RESERVE \$ 3,744,189

BR:ez
BUD.18



1992-93 PRELIMINARY BUDGET PROJECTION
REVENUE/EXPENDITURE ASSUMPTIONS

Revenue Assumptions:

1. 16,198 total enrollment (including NVHS, Special Education)
2. 1.5% COLA for revenue limit (School Services of California's calculations based on Governor's 1/10/92 Budget)
3. Supplemental grant funding at the same level as that projected for 1991/92
4. Special Education at the same level as 1991/92 (72.22 units)
5. All other funding, including transportation, at 1991-92 level
6. Lottery revised for 1991-92 Annual ADA at \$85

Expenditures are projected, using the 1991-92 Adopted Budget as a base, with the following assumptions calculated as changes:

1. 9 additional teaching positions at \$40,000 each
2. One additional Guidance Coordinator (\$79,053)
3. \$250,000 for employee step and column advancements
4. Salaries:
Maintain 6% increase over 1990/91 salary schedule for certificated unit (1% = \$345,808)
6% increase over 1990/91 salary schedule for classified unit (1% = \$85,063)
6% increase over 1990/91 salary schedule for management/confidential (1% = \$37,084)
5. \$4,275 for health and welfare for all eligible personnel
6. Staffing for Granite Hill: Principal, secretary, two custodians, elementary media clerk, clerk-typist (Total = \$211,298)
7. Add 1 Transportation dispatcher (\$45,000)
8. Add a 4-hour clerk position at each elementary school - total of 7 FTE (\$139,696)
9. Fixed charges include \$272,831 additional for Workers' Compensation Insurance
10. Instructional allocation for 16,198 enrollment at 67% entitlement
11. No state textbook adoption planned (a \$150,000 reduction)
12. Increase in 5000 series to provide for Granite Hill utilities (\$48,500), basic utilities for Stone Avenue (\$13,500), increased telephone charges (\$15,000), elections, non-public schools, etc. Also increased in this series--\$238,663 for State portables because of reduced square footage allowance.
13. Capital Outlay (existing commitments only)
14. Includes County charge for Severely Handicapped students (\$162,397; same as 1991-92)
15. Includes \$200,000 for magnet schools
16. Includes \$67,680 for fire lanes for portables as required by the County Fire Department