



Pacifica School District

375 Reina Del Mar Avenue • Pacifica CA • 94044

MEMORANDUM

Administrative Services

Agenda Item: 7b
Meeting of 2/03/10

TO: Susan Vickrey, Superintendent
for Members, Board of Trustees
FROM: Josephine Peterson, Chief Business Official
SUBJECT: **Budget Update**
(Information/Discussion)

A budget update is attached.

Approved for Board Presentation

Pacifica School District

Budget Update

February 3, 2010

Budget Cuts

- **\$80,000** Negative COLA **(-.38%)**
 - » \$23 per student times 3020 students
- **\$577,000** “Targeted” cuts to administration
 - » \$191 per student times 3020 students
- **\$380,000** SFSF (stimulus funds)
- **\$100,000** 2 day work furlough in 09-10

Total cuts for PSD based on Governor’s Proposal = \$1,137,000

Annual Increases in Budget

- Health benefits \$150,000
- Step and column \$120,000
- Other payroll costs \$22,000
- Utility increases \$10,000

Total annual increases \$302,000

Total Reductions

- Budget cuts \$1,137,000
- Annual budget increases \$302,000

Total Reductions \$1,439,000

One-Time Money

- **SFSF (stimulus carryover)** **\$300,000 ***
- **Parcel tax carryover** **\$160,000 ***

*Saved initially for mid year cuts

-
- **Fund 17** **\$680,000**
 - **Retiree Benefits** **\$500,000**

-
- **Deferred maintenance** **\$600,000**

➤ **Pending Expenditures:**

➤ **Ocean Shore roof -\$500,000**

➤ **Ortega roof - \$50,000**

2010-2011 Budget Development Timelines

- **March 15th layoff notices (*must be done by the February 24th Board meeting*).**
- **June 9th – Tentative budget is presented to the Board**
- **June 23rd – Board Adopts Budget**

Direction from Board

- In order to develop the 2010-11 budget, staff needs direction from the Board as to what items to eliminate.

Budget Reductions

• Counselor	\$65,000
• Board Scribe	\$10,000
• Stop watering fields	\$50,000
• Groundskeeper	\$60,000
• Band Program	\$30,000
• Custodian	\$60,000
• Reduce Coaching	\$110,000
• Contract for BTSA	<u>\$75,000</u>
Total	\$460,000

(Negotiations not required)

Budget Reductions

- Central Office Reorganization
 - Option A \$20,000
 - Option B \$100,000

(Negotiations not required)

Budget Reductions

• PE Teacher	\$60,000
• Benefit Cap	\$150,000
• K-3 Class size 24:1	\$190,000
• 5 days Furlough	\$346,000
• 15 Retirements	\$200,000
• 6 th – 8 th Class Size (IBL)	\$120,000
• Total possible reductions	\$1,066,000

(Negotiations required)

Background Information

Additional slides addressing frequently asked questions

Lottery Funding

• Teachers salaries	\$330,000
• Textbooks	<u>\$35,000</u>
Total Lottery	\$365,000

Pacifica School District

Cummulative budget Reductions

	2001/02-2003/04	2004/05-2005/06	2006/07	2007/08	2008/09	2009/10
Consolidation of Accounts Payable and Receptionist	\$42,427					
Reduction of Custodial Staffing	\$40,454					
Reduction of Maintenance Staffing	\$68,618					
Closure of Pacific Heights Middle School	\$254,050					
Elimination of the Personnel Commission	\$137,623					
Reduction of Facilities Manager Position	\$58,667					
Elimination of 50% Dean Positions at Cabrillo and Vallemar	\$39,552	\$24,733				
Savings from Merging Linda Mar & Oddstad	\$51,944	\$187,175				
Certificated Retirement Incentive	\$200,000					
Elimination of Controller and Personnel Specialist Postions		87669	\$40,928			
Eliminate crossing guard at Cabrillo School				\$3,500		
Reduce school site supply allocations by \$2 per student				\$6,000		
Turn off water for Linda Mar Field				\$6,600		
Dim lights at all schools				\$14,592		
Raise field use fees				\$4,200		
Charge 100% of the delivery driver to Child Nutrition				\$16,000		
Reduce summer work crew				\$3,000		
Improve recycling				\$15,000		
Freeze Salaries at Jan. 2008 levels					\$210,000	
Further reduce site supply allocations (\$3/student)					\$9,300	
Reduce hours for school assistant positions					\$15,000	
Support Programs, site based budgets					\$217,000	
Reduction of Certificated FTE					\$100,000	
Eliminate Principal at Linda Mar						\$110,000
Reduction in confidential staff						\$17,000
Eliminate classified/custodial						\$73,000
Eliminate printing costs for Board packet/CSBA conf.						\$9,300
Reductions in site SIP accounts						\$72,000
"Sweep" site SIP accounts						\$300,000
	\$893,335	\$299,577	\$40,928	\$68,892	\$551,300	\$581,300
TOTAL REDUCTIONS						\$2,435,332

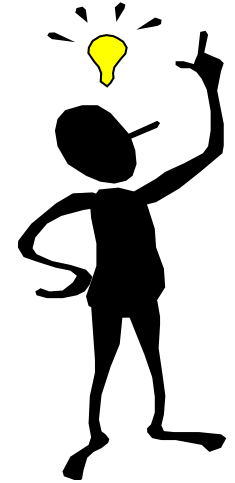
PSD Cuts to Administration

• Receptionist	\$42,000
• Custodial	\$113,000
• Maintenance	\$69,000
• Personnel	\$137,000
• Facilities Manager	\$59,000
• Controller	\$88,000
• Personnel Specialist	\$41,000
• Delivery Driver	\$16,000
• Principal at Linda Mar	\$110,000
• Confidential Staff	<u>\$17,000</u>
TOTAL CUTS SINCE 2001	\$692,000

Parcel Tax Funds 2009-2010

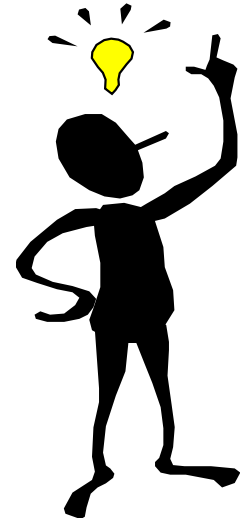
- Parcel Tax Revenue: **\$1,000,000**
- 2009-2010 Parcel Tax Expenditures:
 - Teacher salaries **\$790,000**
 - Coaching (literacy & math) **\$210,000**

Increase Class Size



<u># of students in a class</u>	<u>Reduction in teachers</u>	<u>Net cost savings</u>	<u>Penalties</u>
30:1	23	\$ 575,079	30%
29:1	22	\$ 532,893	30%
28:1	20	\$ 448,521	30%
27:1	18	\$ 364,149	30%
26:1	16	\$ 279,777	30%
25:1	14	\$ 195,405	30%
24:1	12	\$ 228,843	20%
23:1	9	\$ 108,711	20%
22:1	7	\$ 157,143	10%
21:1	4	\$ 110,910	5%

Retirement Savings



- A retirement incentive would save money for 3 years when
- the highest paid teachers are replaced with beginning teachers

<u>Options</u>	<u>Cost</u>	<u>Savings over 3 years</u>
15 Retirees pay a bonus of \$20,000	\$ 300,000	\$ 780,000
13 Retirees pay a bonus of \$17,500	\$ 227,500	\$ 767,500
12 Retirees pay a bonus of \$15,000	\$ 180,000	\$ 705,000

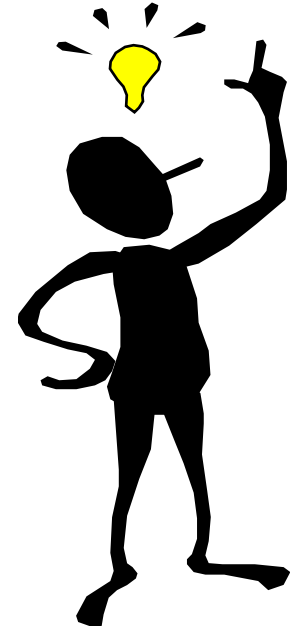
** assuming one-time funds are used to pay the bonus in the first year

Retirement Incentive uses

one-time funds for a one time expense

- **SFSF (stimulus) carryover funds could be used to pay a retirement incentive bonus - \$300,000 (\$20,000 for 15 teachers)**
- **The one time cost would generate savings for several years**

Work Furlough



- Reduction of 5 work days
 - Teachers \$250,000
 - Administration \$40,000
 - Classified \$56,000
- Total savings \$346,000**