

Santa Ana Unified School District
1601 E. Chestnut Avenue
Santa Ana, CA 92706

SANTA ANA BOARD OF EDUCATION
November 3, 2009

MINUTES

CALL TO ORDER

The special meeting was called to order at 4:20 p.m. by President Hernández. Also in attendance were Mr. Richardson, Dr. Yamagata-Noji, Mr. Palacio, and Mr. Reyna.

Cabinet members present were Ms. Russo, Dr. Olsky, Mr. Murrey, Mr. Lopez, Mr. Mendez, Mr. Ayala, Ms. Lohnes, and Mr. Dixon.

PLEDGE OF ALLEGIANCE

The meeting was opened with the Pledge of Allegiance led by Mr. Hernández. He welcomed staff and members of the community in the audience to the special meeting.

PUBLIC PRESENTATIONS

President Hernández asked those members of the community who wished to address the Board to step forward.

Patricia O'Neil, SAUSD teacher, spoke in reference to School Site Council and allowable spending of Education Investment Act "EIA" funds.

There were no other individuals wishing to speak.

PRESENTATION

Superintendent Russo opened the meeting and welcomed all in attendance to the Special Study Session.

Ms. Russo stated, as part of Measure G, SAUSD was informed that while three school districts in Orange County received lower bond ratings in the past month, the SAUSD received an A+ rating which is the same rating SAUSD received in the past. She noted that this is a tribute to the Board's prudent fiscal responsibility and proactive response to the State's fiscal crisis.

Ms. Russo stated that the meeting would review where the District has been, what has been done in the past, review Board priorities, and seek direction from the Board.

Mr. Murrey then reviewed the 2009-10 budgetary developments and changes from September 24, 2008 through October 13, 2009. Mr. Murrey stated that the State has made numerous adjustments to the budget, therefore; it continues to be unclear. Mr. Murrey reviewed the information below:

- January 2009, Special Study Session developed budget priorities
- February 19, 2009, State budget was approved
- State budget was revised several times due to State's reductions being vague and unclear and a special election on propositions was held where they were rejected
- May 26, 2009, based Governor's May Revised the Third Interim budget and SAUSD "Must Have" staffing occurred
- July 14, CSR at 23:1 for 2009-11 authorized and Board rescinded an additional 50 certificated RIFs.
- July 24, 2009, the State adopted the 2008-09 and 2009-10 budget.

- August 19, Board authorized grade 2 CSR at approximately 24:1 for 2009-11 and over 100 teachers were rescinded to staff grades 1 and 2 CSR

Discussion ensued regarding AARA stabilization dollars, substitute teachers costs, ADA, enrollment, and staffing.

Mr. Murrey then reviewed 2010-11 Board priorities. It was noted that Class Size Reduction in grades 1 and 2 is the only priority for 2009-10 through 2010-11 school years. The Board asked staff to include grade 3 CSR on the priority list for future funding.

Mr. Murrey stated that the Board, on October 13, 2009, approved reductions in the amount of \$13.9 million towards the \$31 million required budget reductions for 2010-11 school year. He stated that due to lower enrollment (approx. 500 students) which is a one-time cost of \$3 million (from not hiring staff) and with ARRA Stabilization funds in the amount of \$10.9 million it totals \$17.1 million from the \$31 million, yet to be reduced for the 2010-11 school year. Mr. Murrey then provided a few suggestions for the Board to consider that would include negotiations with employee unions for cost savings totaling \$17 million. He then stated that SAUSD must reduce \$13 million for 2011-12 school year and it is likely that number will change.

Mr. Murrey continued reviewing various facets of the SAUSD budget by charts. He stated that unrestricted salaries and benefits account for 92% of the District costs. And the 8% of "controllable" non-salary expenses are a small portion of the district's budget. He stated that many painful, difficult cuts have been made in the past years due to continuing State cuts and further reductions will impact the classroom and students we serve. School sites are funded at the bare minimum level therefore, limiting the ability to find additional reductions.

Mr. Murrey reminded Trustees what School Services of California, Orange County Department of Education, and U.S. Department of Finance, urged school districts to hold on to their reserves.

Trustees made numerous requests and suggestions from staff, to be addressed at future Board meetings.

A special Board meeting was scheduled for Monday, November 23, at 4:00 p.m. in the Board Room of the District office.

ADJOURNED

There being no further business to come before the Board, the Special Meeting was adjourned at 6:15 p.m.

FUTURE MEETING

The next regularly scheduled meeting of the Board of Education will be held on Tuesday, November 10, at 6:00 p.m.

ATTEST:

Jane A. Russo
Secretary
Santa Ana Board of Education