NORTH MONTEREY COUNTY UNIFIED SCHOOL DISTRICT

BUDGET PROGRAM ADVISORY COMMITTEE

A SUPERINTENDENT'S ADVISORY COMMITTEE

Meeting #5 (Final)
February 20, 2019

Presented by: Liann Reyes, Assistant Superintendent – Business Services

REVIEW OF PRIOR MEETING INFO

A BALANCED BUDGET THROUGH CUTS

- The District can work with employees, parents, teachers and support staff to reach a ½% or 1% increase in ADA to help boost revenue, but in addition, positions will need to be cut to support the current personnel demands being made on the budget in 2018-19.
- The challenge will be reducing selected positions in which services can be re-distributed in order to get the work done and cut on-going expenses in the base grant.
- This is why we are looking at retirements, vacancies, and re-assignments as a means to reduce positions.





A PLAN FOR MANAGING THE DEFICIT

Two years ago, the District had to start looking at how to curb its deficit spending AND provide compensation increases to its employees.

The Board discussed a two year plan that involved cutting expenses in both 2018-19 and 2019-20 in order to preserve and bolster the unrestricted base grant.



FY 1819 BUDGET CUTS

- The following classifications had positions that were cut in fiscal 2018-19 resulting in a savings for the base:

Clerical/Secretarial Support	$ 20,000
Management	$153,280
Confidential Admin Asst	$ 93,306
Total Base Cut:	$266,587

Other resources also had cuts in the amount of $383,004 in fiscal 1819, bringing the total to $649,591. These cuts impacted Accounting/Fiscal, Management, and Certificated.

FY 1920 BUDGET CUTS

- The following classifications have positions that may be cut or left unfilled due to vacancies, retirement or other attrition. The following job families would potentially be impacted:
  - Clerical/Secretarial Support
  - Confidential
  - Maintenance & Facilities
  - Student Services
  - Certificated & Classified Management
  - Library/Media
  - Certificated
  - Transportation

The total value of these on-going cuts is estimated at $1,018,000

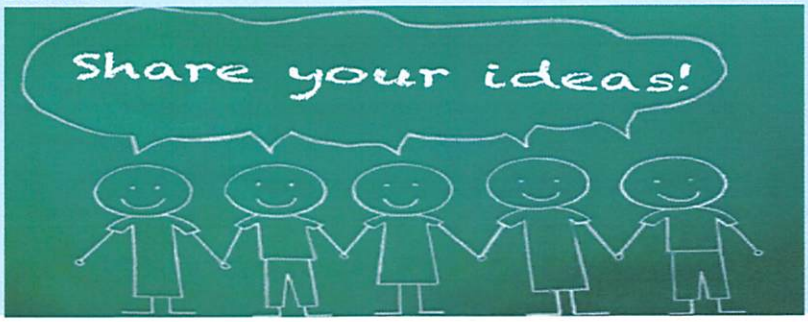
FY 1920 BUDGET CUTS

- As you can see, these proposed cuts are:
  - Across many classifications and job families
  - Are not all in one place
  - Ensures equity across the district
- The cuts made in 2018-19 followed a similar pattern

TALK TO YOUR TABLE PARTNER

- Turn to your table partner and discuss the following:

Given that an increase in ADA won't cover the entire structural and operating deficit, what would be the frame one would need to look through when considering a reduction in positions?



SUSTAINABILITY

If ADA were to increase, is a one year "blip" enough to sustain a balanced budget?

What is required is

- Increased ADA year over year (results in increased on-going revenue)
- Increased staff attendance year over year as well (results in decreased substitute expenses)

GET EVERY KID AND EVERY EMPLOYEE TO COME TO SCHOOL CONSISTENTLY – YEAR OVER YEAR



WHAT ELSE CAN BE DONE?

- It's also not just about making cuts, but is also about RESTRUCTURING and RE-SHUFFLING COSTS in order to:
- Minimize unrestricted deficit spending and
- Maximize usage of the most restricted resources, where appropriate.



MULTI PRONGED APPROACH NEEDED

To summarize, multiple strategies working in concert with one another will be required in order to achieve a balanced budget…

Increased Revenue



Decreased Expense



Shuffling to Other Sources

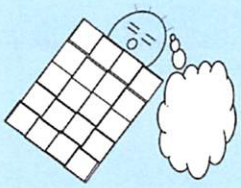


A SURE THING?

Think about…..

What is CERTAIN?





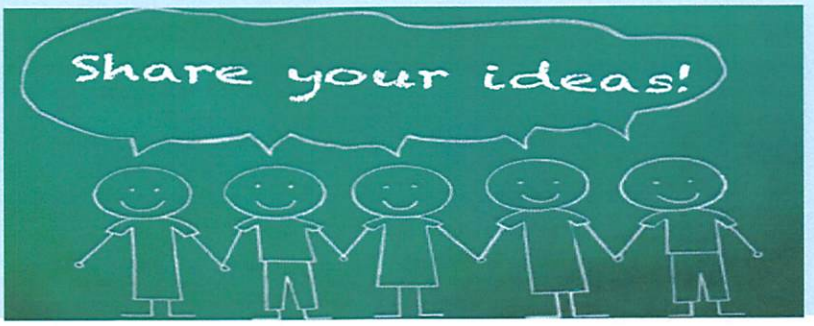
What can you HOPE for?
(Hope Without a Plan is Just a Dream)

What can you PLAN for?



TALK TO YOUR TABLE PARTNER

- In a few minutes, we will take some time to chart your top three to five ideas. Take this opportunity now to turn to your table partner and discuss your ideas and jot down a few notes to share with the group!



HERE'S A TIP!

- We've talked about the importance of maintaining costs while still delivering necessary student services. Here's an example of a recent issue.
- The District is currently challenged with addressing and promptly responding to student behavioral and mental health supports.
- In order to achieve -- not only responding to, but also proactively -- supporting students with these needs, a Therapeutic Intervention Program (TIP) is required.
- By providing an intensive therapeutic learning environment, students may derive maximum benefit from their educational program.

HOW MUCH ARE WE TALKIN'?



- The current number of high school students who require these program supports are…….. 7
- To provide these 7 high school students with the required services offered by external providers, the estimated cost

$560,000

- By developing an in-house class/program, the total estimated cost would be

$350,000

… and would have room to grow the program by at least another seven students, if necessary, bringing the capacity to 14.

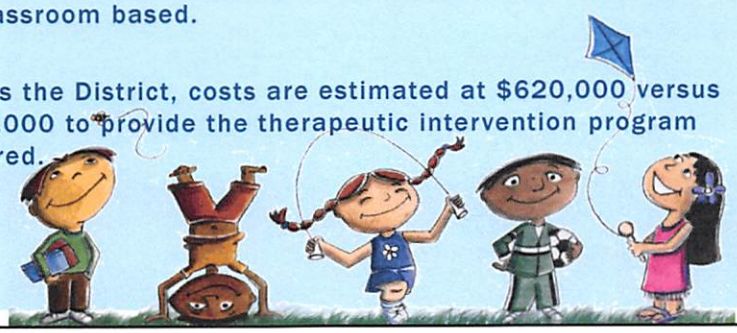
HOW MUCH ARE WE TALKIN'?

Per pupil costs externally:	$80,000
Per pupil costs internally:	$50,000
External costs to expand program to 14:	$1,120,000
Internal costs to expand program to 14:	$350,000

So if more students were added to the program, the internal costs would not increase. Further, internal per pupil costs would decline if the program expanded to include up to 14 students (down from $50,000 per pupil to $25,000). Conversely, it would also increase if program enrollment declined.

WHAT ABOUT NON HIGH SCHOOL STUDENTS?

- The K-8 current level of internal service costs approximately $150,000 and serves approximately 250 students
- Restructuring and increasing internal services for K-8 mental health and behavioral supports would increase these costs by $250,000 but would serve ALL students as the support would be classroom based.
- Across the District, costs are estimated at $620,000 versus $710,000 to provide the therapeutic intervention program required.

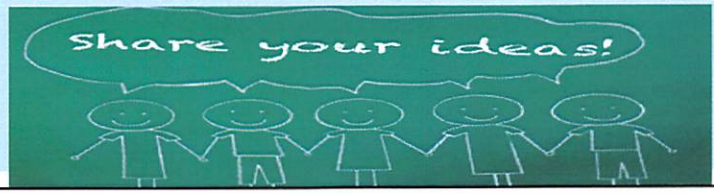


TALK TO YOUR TABLE PARTNER

- Now, working in pairs, consider this scenario:

You now need to go out and share with your colleagues, community members, parents, etc. what we have done in these meetings over the last several weeks.

- What are the recommendations of the advisory committee?
- How would you summarize this?
- Answer, "The WHAT is ...."
- Answer, "The WHY is ..."
- What are the two or three most important, main points?
- The most important recommendation?



NEXT STEPS



- What are the next steps for this committee?
- How to connect with LCAP or Facilities committees, and what would you like the Board to know?
- If this committee reconvenes, how would you like the committee to function, what is its direction?



THANK YOU FOR PARTICIPATING IN THIS YEAR'S SUPERINTENDENT'S BUDGET PROGRAM ADVISORY COMMITTEE!!

