

Thank you for joining us today. We are trying some new technology to get the same message out to all staff. I would have preferred to talk with you directly and regret I can't.

It took me three months to schedule individual building meetings, and the last-minute timing of legislative decisions makes it impossible to get to each site again in time to share this information with you.

For your colleagues who are unavailable today, we will send an e-mail out to all staff, principals and supervisors that will contain a link to the information you are about to see and hear.

Some questions you submitted were similar. Rather than give duplicate responses, I took the editorial license to merge them. We have also responded to some very situation-specific questions personally rather than answer them in this format.

For today's presentation I won't be naming individuals, for obvious reasons.



2009-10 Budget Planning

**Budget Webinar
May 1, 2009**

I realize that today may create additional questions. Feel free to send questions to budget@everettsd.org. We will continue to provide answers through appropriate venues – on the Web site for the public and via e-mail channels for staff.

When I visited departments and schools earlier this year, I mentioned that I would attempt to do three things. The first was as your superintendent, to be visible and upfront. Because I am the one to be making budget decisions, I am the one to deliver the message.

You can hold me accountable and to blame. I also said I would be honest about the facts and transparent about the information.

While I will be always sensitive to time, place and manner, the information is just plain ugly. Last, I know the work of the superintendent; I signed on to do the work, but I don't like this part of it and I will always show empathy for everyone who works for Everett Public Schools. Thank you for listening today.

Latest flu information

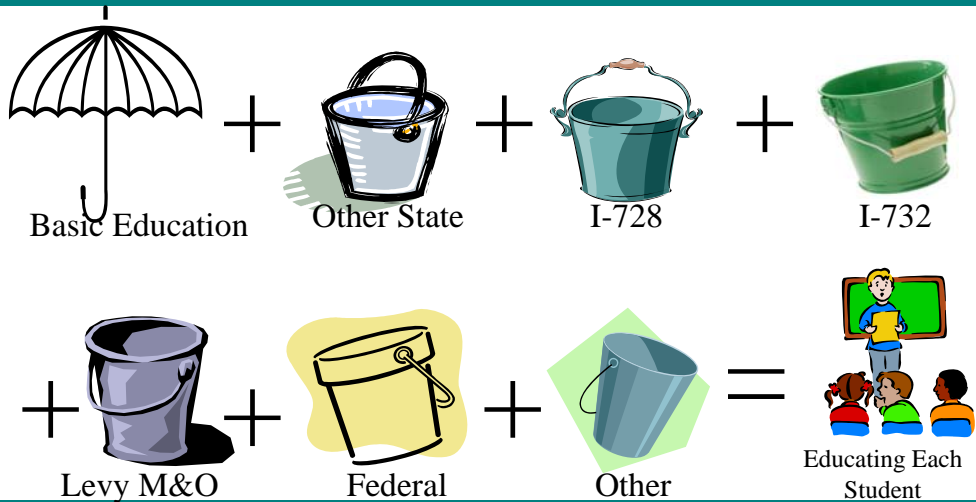
- Snohomish County call center responding to calls 9 – 4 each day, 425-388-5060. Refer parents to that number.
- E-mail questions to flu@snoco.org (24/7)
- Only 2 “probable” cases in Snohomish County to date; 331 confirmed in the world and just over 100 confirmed in the U.S.
- If we are ordered to close school because of flu, we will use same procedures as for weather closures.
- We are working with OSPI to clarify rules & laws about closures.
- Best precautions are the simplest – wash hands, cover cough, stay home when ill.
- As we learn more, we will share information with you and the community.



Twin Falls Public Schools

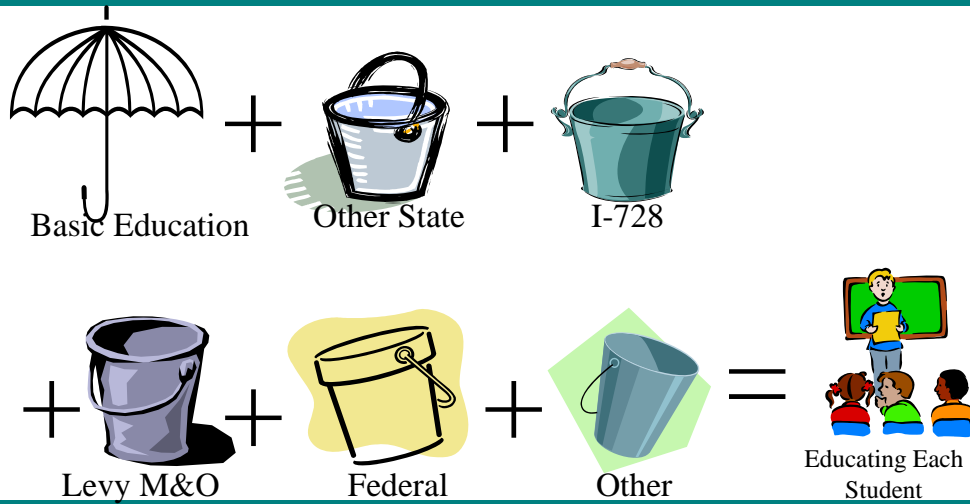
Because the topic of flu is in the news, this information may be helpful.

General Fund Overview

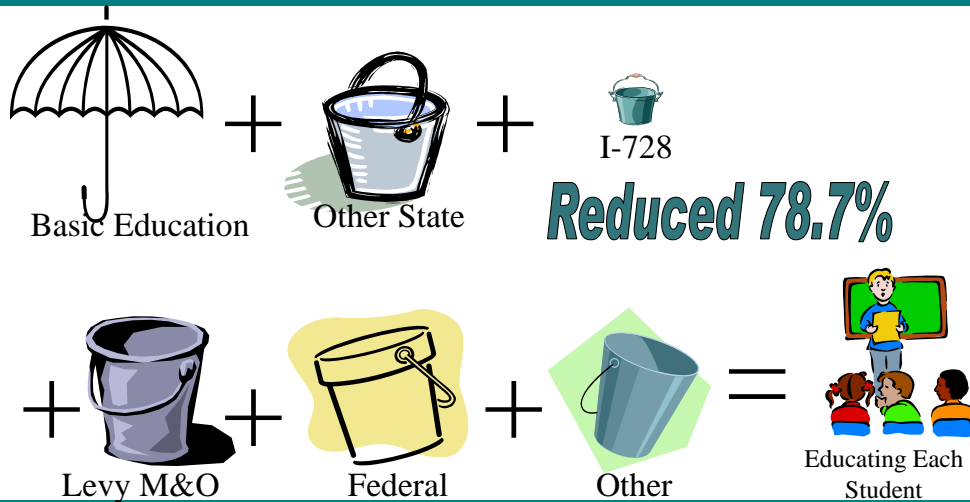


I know you have seen this before, but I want to emphasize the budget areas most affected. They are I-728, which was reduced more than 75% and I-732 which was eliminated completely. The maintenance and operations levy may be impacted, and much about federal funding is still in question. I have recommended to the board that we increase the money available through “other” sources by increasing the cost for school breakfasts and lunch and by charging for participation in athletics.

General Fund Overview

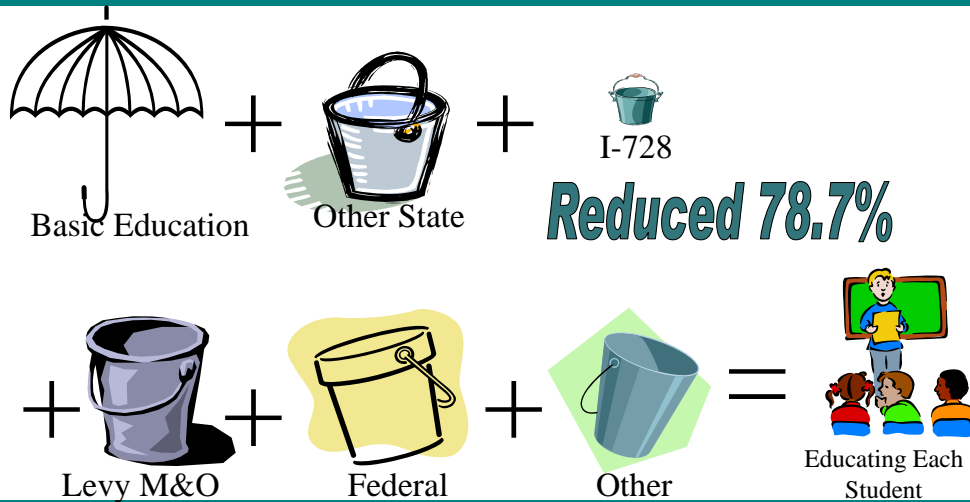


General Fund Overview



Target Public Schools

General Fund Overview

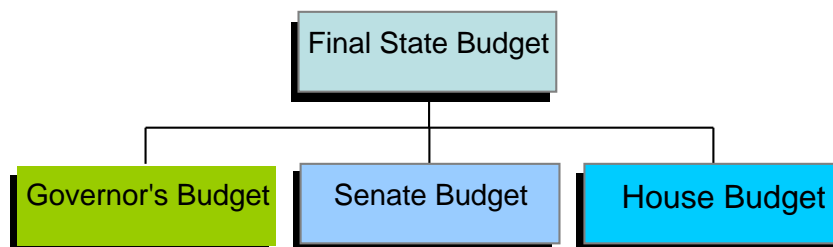


Target Public Schools

Overview

2009-11 Biennial Budget

(\$7.71 Million)



As far back as December, the state budget-setting began with the governor's budget proposal. The Senate and House budgets, after the first of the year, were progressively worse than hers, and each was based upon the latest information about the state's economy.

Ultimately, when the legislative branches finished their discussions, the resulting state budget requires us to cut \$7.71 million from our budget for next school year.

Overview

Budget Activities

Governor's Budget Released	Dec 19
School Presentations	Jan, Feb, Mar
Supt. Community Advisory Group	March 23
Board Study Session	March 24
Senate and House Budgets	March 30 & 31
Postcard Invitations to District Residents	April 3
Letter to All Staff	April 6
Foundation Breakfast	April 9

The following slides give you an overview of the work and budget processes we have been working on this year.

Overview

Budget Activities

Online Budget Survey	April 13 to April 22
Community Meetings	April 13, 15, 16
Letter to all Staff	April 17
Meeting with Association Presidents	April 21
Analysis of Online Surveys	April 23 - 27
Letter to All Association Presidents	April 27
Communication to Leadership Team	April 27

Overview

Budget Activities

Legislature Adjourned	April 26
Board Meeting	April 28
Letter to All Staff	April 28
Webinar With All District Staff by Site	May 1
Special Board Meeting	Early June
Budget Adopted	Prior to Sept. 1

Parent, Staff and Community Survey Results

321 respondents

Top 3 categories the district should protect from funding reductions.

	Category of Respondent					Parent Level		
	Parent	Community	Admin	Teacher	Classified	Elem.	Middle	High
1st choice for all = Class size	Class size	Class size	Class size	Class size	Class size	Class size	Class size	Class size
2nd choice for all = Curr & Trng	Curr & Training	Curr & Training/ Maint. tie	Curr & Training	Curr & Training	Curr & Training	Curr & Training	Curr & Training	Curr & Training
3rd choice for <u>parents</u> = Athletics	Athletics		Admin	Maint.	Maint.	Athletics	Athletics	Athletics
3rd choice for <u>community, classified and teachers</u> = Maintenance & Custodial Service								
	District Employee Work Location							
	Elem.	Middle	High	Dist Admin	Dist Support	Other		
	Class size	Class size	Class size	Class size	Class size	Class size		
	Curr & Training	Curr & Training	Curr & Training/ Maint. tie	Curr & Training	Curr & Training	Curr & Training		
	Maint.	Admin		Admin	Transport. /Admin tie	Food		

Summary of the responses to the Zoomerang budget survey.

Budget Setting Guiding Principles:

- Setting school district budgets is universally more difficult than ever before because of the financial challenges of the state and nation. To meet the district's mission to educate each student, to protect the district's financial stability and its capacity to meet our community's expectations, we will:
 - Maintain our capacity to focus on each student's academic success
 - Preserve class-size goals
 - Keep schools as safe places to learn and grow, and
 - Adhere to state and federal laws and negotiated agreements
- All budget considerations, no matter their difficulty, will be reviewed in light of the long-term financial capacity of Everett Public Schools to support its mission and meet community expectations.

As I have made budget recommendations, these are the guiding principals used.

Teaching positions

- We currently have commitments to more continuing contract teachers than we have classrooms for them to teach in.
 - 19 had been facilitators or teacher-coaches
 - Some teachers were teaching smaller support classes at middle/high school in reading and math
 - Some teachers were lowering class size in elementary schools to keep us below goals
 - 13 teachers will be returning from leave for next year
- Result:
 - 42 teachers need to be placed into positions but we do not have openings for all of them.

Why are we are giving any consideration to laying off teachers?

Attrition rate is very low at this time.

- Leaves of Absence
 - Past 4 Year Average – 24
 - This year – 12
 - Retirements
 - Past 4 Year Average – 25
 - This year – 4
 - Resignations
 - Past 4 Year Average – 37
 - This year – 5
 - Enrollment - Down
-

Result

- Everett Public Schools has more experienced teachers to place into classroom teaching positions and fewer classrooms to staff than last year.
-

Reduced Educational Program

- **Certificated Teachers**

- Nonsupervisory certificated staff 29.6 full-time equivalent - \$2,767,008

- **Central Administration**

- Reduce reorganize or reclassify supervisory certificated staff by 7.1 full-time equivalent - \$576,157
- Cabinet compensation reduction equivalent to a loss of 4 days - \$20,000
- Reduce reorganize or reclassify classified administrative staff by 4.1 full-time equivalent - \$290,450

At their April 28 meeting, the school board authorized me to reduce the educational program to ensure a balanced budget. I have been authorized to make reductions in the following areas up to the amounts listed.

The list starts with certificated positions because by state law we must notify certificated staff by May 15 if their contracts for next year are not being renewed. However, the list is in no priority order. Every one of these cuts is difficult, and each one represents important work we've relied upon to achieve our mission.

As I've said before, every person has a role in making this organization successful. We saw recently just how integral the nurses and health room staff are during illness. At the end of the month, those folks in payroll ensure that each of us receive a paycheck. While we must notify some staff by law earlier than we notify others, every staff member in each employee group is important. Each of these reductions is painful.

Reduced Educational Program (cont.)

- **Paraeducators**
 - Reduce paraeducator support districtwide by 72.8 hours per school day - \$420,349
- **Classified Staff**
 - Reduce central instruction, and operations support staff by 21.5 full-time equivalent positions - \$1,196,404
- **Athletics and Activities**
 - Reduce or reclassify the number of secondary coaching/club stipends by 17 - \$69,807
- **NERC**
 - Defer general fund textbook adoptions - \$944,105

Reduced Educational Program (cont.)

- NERC

- Reduce school discretionary budgets by 5% and some additional categorical funding - \$117,800

- NERC

- Building carryover set-asides - \$225,000

- NERC

- Reduce central discretionary budgets by 5% and additional reduced funding for TAP program, recruitment, utilities, field chalking, and legal - \$317,294

Reduced Educational Program (cont.)

- NERC

- Reduce professional development previously funded by categorical programs - \$134,920

- NERC

- Reduce extended day programs previously funded by categorical programs - \$205,706

- Revenue

- Increase lunch prices by 40¢ to an average level similar to neighboring school districts - \$280,000

- Revenue

- Institute athletic fees - \$145,000

Staff Questions

Similar questions were combined to avoid repetition.

I have grouped certificated questions together with classified questions.

Staff Questions

The budget won't be approved by the board until August. How can you be making layoff decisions now?

State law designates May 15 as the last possible date for notifying certificated staff about their contracts for the next school year. If budget conditions change; if we have more students enroll for classes this spring and summer, we can, after May 15, call back teachers that are laid off, but we cannot make budget cutbacks with certificated staff reductions after May 15.

Every district in the state is up against this same certificated timeline and the emotional upheaval caused by layoff notices.

Staff Questions

Will the district be waiting until the May 15 deadline to notify people who will be RIF-ed or will people be told sooner?

For teachers and other certificated staff, the law requires that each person be notified individually of a layoff on or before May 15. We will make our notification before then, possibly toward the end of next week.

Staff Questions

When will classified staff be told of layoff or changes to their positions?

I know there is a deadline for letting teachers know, but I am hoping for some kind of a timeline for when the rest of us will know.

We are communicating classified timelines with union leadership and supervisors. We will begin notifying people as soon as we are clearer about the impact of the state's budget, potential special session and implications of federal stimulus funds.

Staff Questions

In case you get laid off, is it effective immediately or will it take effect on the end of the contract which is Aug. 31? (This from a classified person.)

Layoff notices will include a separation date. That date may change from employee to employee and from bargaining group to bargaining group. The Human Resources Department will arrange for laid-off staff to receive one-on-one help with benefit information, unemployment compensation, providing references, re-employment possibilities and other needs you may have.

Published: June 23, 1982

Washington Governor Orders 8.2% Cut in Budget

By Susan GoldbergSpecial to Education Week

Seattle--Washington state's schools, already hit by a \$151-million cut in state funding prepared for the worst last week as Gov. John Spellman reluctantly ordered all state agencies, including public schools, to slice an additional 8.2 percent from their budgets.

Governor Spellman's order came in the wake of an announcement by state budget officials that Washington's budget deficit would balloon to a projected \$253 million by the end of the current biennium in mid-1983.

The cut, if it takes effect, would deprive the state's 300 school districts of about \$129 million and has brought threats of lawsuits from the districts and the state's largest teachers' union.

The total state appropriation for schools in the fiscal year 1982 was about \$3.2 billion, percent of the state's entire general fund. Cuts already made in the current biennium include more than \$6 million from pupil transportation, \$1.6 million from vocational education, \$4.3 million from bilingual programs, and \$120,000 from refugee programs.

An 8.2-percent cut would be "beyond the bounds of toleration," said Frank (Buster)

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The school board's goal is maintaining a five percent fund balance to ensure a safety net for emergencies and to maintain our high-credit rating. Particularly in these times of uncertainty, it is important to have a contingency fund enabling us to respond to economic issues that may lie ahead. Because of our history of a healthy fund balance, we are among only five districts in the state to have an AA rating from Standard & Poor's—a rating that enables us to have lower interest rates and save our taxpayers money.

Staff Questions

Will the number of layoffs be reduced by people retiring this spring?

In an average year, we have 60 retirements and resignations by this time. This year we have only a third of that number so far who have indicated they are retiring or resigning. The number leaving is much less than usual, so unfortunately, we do not expect retirements or resignations to change the need to give the layoff notices to certificated staff before May 15.

Staff Questions

Will employee benefits be impacted by the budget?

No, not by the current budget issues. Benefits rates and coverage are determined by the Everett Public Schools Employee Benefit Trust. This reduction process will have no direct effect on the Trust's determination of rates or coverage for future years.

Staff Questions

Is there any consideration for a four-day work week, and how much could that save the district?

State law prevents the school district from reducing the number of days per week and days per school year that school districts of our size must be in session.

Legislators this session passed Substitute House Bill 1292 which allows a pilot program for only five districts in the state with fewer than 500 students to test a four-day week schedule.

Staff Questions

If there is a special session of the legislature, will any decisions that take place help us?

The governor has said that if she calls a Special Session, it will be for addressing a very limited number of legislative actions. Legislative action during a limited special session is unlikely to help the district meet next school year's budget challenges.

Staff Questions

How will these cuts impact class size?

We will do our best to preserve class-size goals for all grades outlined in the EAA contract.
It is one of the four guiding principles used to make budget decisions.

Staff Questions

How are decisions made about RIF?

Are program and school needs a part of the decision process?

When people do get called back, how is that decision made?

Are program and school needs a part of that process?

For teachers, the decisions about RIF are made according to the bargaining agreement between the Association and the District. The guidelines that must be followed for a layoff are described in Article 11 on pages 68-69.

(Reduction in Force (RIF) is a term used in many school districts and that you will hear in the media. Our contract uses the words “lay off” which means the same thing.)

Staff Questions

How is seniority determined for certificated staff?

A teacher's seniority is determined by the first regular contracted work day in a public school in the state of Washington. This is outlined in Article 11 of the agreement between the Association and the District.

Staff Questions

Would you explain how the TOSA's and
surplused teachers will be filtered into
certificated teaching positions?

At this point, how many of each do we have?

Any certificated staff who has been surplusd has a continuing contract with the District. Surplused staff will be placed in positions that, as closely as possible, match their qualifications and their requests. Because these staff members have continuing contracts, these positions for 2009-10 will be determined as soon as possible. 38 FTE staff were surplusd, and 13 FTE staff are returning from leave to teach in the district again.

Staff Questions

How are surplused teachers placed back into the classroom when openings happen?

Is there a chance we might be placed in positions we are not qualified for, or at a grade level we have never taught – just because our certificate says we can teach anything?

As happens every year, teachers who have been surplused from a position will be placed as closely as possible into a position that fits their qualifications and experience. Historically, we have been successful in placing people in positions that are fits for them.

Staff Questions

I was wondering if the figure for reduction of nonsupervisory certificated staff takes into account teachers who plan to retire or take a leave.

Yes, it does. Before deciding on the number of staff to reduce, the district took into account those who are returning from leave, planning to take leave, those who are resigning and those who are retiring.

Staff Questions

Does the number 29.6 for certificated reductions include the teachers with noncontinuing contracts or are the noncontinuing contract positions already out of this number?

The district will be reducing the number of teaching positions by just over 44 for next year. Subtracted from 44 are noncontinuing contracts, retirements, resignations and leave requests. We delay making decisions on a number of positions until the state finalizes how much money will be available from I-728 and the rules associated with spending Federal Stimulus dollars. At this time, this leaves us with 29.6 teachers for whom we have no positions.

Staff Questions

Are the certificated staffing cuts *over and above* those that were previously taken into consideration for next year's staffing?
For example at my school, we are already scheduled to have a 5.0 FTE reduction of cert staff.

The proposed reductions take into account earlier estimates of certificated reductions.

Overall, certificated staffing in the district next year is expected to be approximately 44. A number of staff have already been surplus because of enrollment shifts and other factors.

The 29.6 FTE listed are not in addition to the 44, but are the remaining positions that do not have firm certificated placements at this time.

Staff Questions

There have been rumors floating around that certificated staff will lose their TRI pay, a result of the state legislation... is there any truth to this?

State legislation will not impact TRI. TRI is negotiated between the district and the association and paid for out of local levy dollars. Because TRI pay comes from levy dollars, voter approval of the local levy does impact TRI pay.

The next replacement levy will be in February of next year.

Staff Questions

How can laying off 29.6 teachers save the district \$2,676,008?

Even with benefits, that seems like a lot of money for beginning teachers. What gives?

I asked the same question myself. Once it was explained to me it made sense. I hope I can explain it as well. The District uses an average staff cost in estimation models. In a typical year, those who retire from or leave the district will have a varying degree of experience, and ultimately the cost will align with that model. This year we have factored in the likelihood that many positions will be first and second year teachers. But we also know they will be balanced somewhat by the retirements, resignation and leave requests of more senior staff.

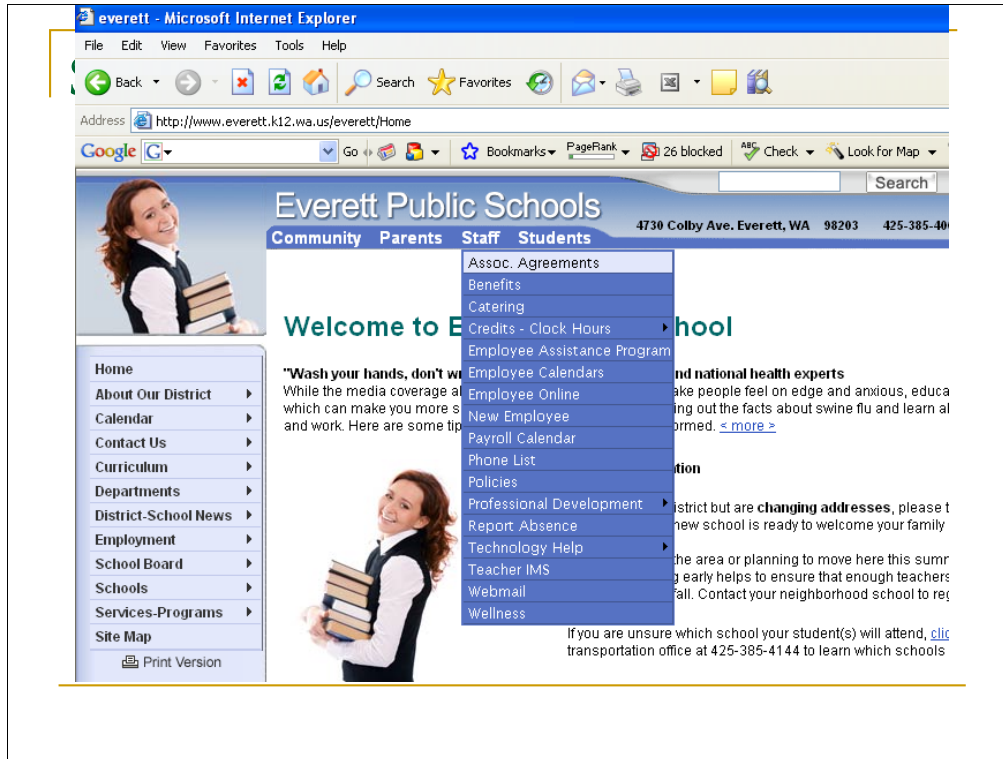
Staff Questions

The reduction list indicated a reduction of 21.5 classified staff.

What types of positions are included in that number?

The number 21.5 is the total from several represented, nonadministrative groups including positions such as clerical, technicians, custodial, maintenance/trades, food services, and other miscellaneous titles.

The paraeducators are listed separately because they are allocated based upon hours per day.



Classified employee decisions will depend upon each person's position and whether that position is a represented or unrepresented position. It is very important that you know the contract language for your representative group. Those contracts are all linked from the "Staff" tab on the district Web site.

In this process, we are meeting with union representatives for each group and with staff supervisors. We will be talking individually with impacted staff.

Staff Questions

Have district unions been asked to continue this year's contract for one year and not take the bargained-for COLA?

The state legislature eliminated the state-funded COLA for all school employees. Some previously bargained agreements in our district, however, include COLA for those employees.

Be sure to read your contract.

Staff Questions

How does seniority work for classified staff?

Each classified staff bargaining agreement has slightly different language about seniority.

We are working with each union's leadership to administer reductions and layoffs appropriately. In some cases, we are discussing reducing hours or contract length to save costs. All district agreements are available on the district home page under the "Staff" tab.

Staff Questions

If administration is directed to make cutbacks in school office staff, are we permitted to join or cut our hours to save positions?

What about creating job-shares? What about employees offering to take pay cuts?

I realize we are under union contracts, but these are extraordinary times and may call for creative solutions. I'm hoping the district will be flexible.

We are working with union leadership and supervisors on these possibilities. After the May 15 legal notification timeline for certificated staff, we will have more financial info from the state and the federal government and more answers for classified staff.

Staff Questions

Who does the activities/athletics cutback affect?

What is a “secondary” stipend?

Who does the activities/athletics cutback effect?

Robert Polk, Director of Athletics, will be meeting with each head coach of the programs being impacted. He will also be holding an all-coaches meeting to provide information to coaches.

What is a “secondary stipend?”

The term “secondary stipends” refers to club sponsorship positions at high schools. We have recommended reducing the number of clubs at Cascade, Everett and Jackson high schools by one club.

Some districts have decided to entirely eliminate some sports teams. Instead of doing that, we are reducing some coaching positions, and at this point, maintaining all existing teams.

There is no decision at this time as to which high school club will be eliminated.

Staff Questions

If paraeducators worked only during the hours of the school day, would that be enough to meet the budget cuts for that category of employees?

To make the necessary budget adjustments we are looking at all para hours and responsibilities.

Para's help safeguard students before and after school. Having no supervision for students during that time would put students at risk.

Staff Questions

Has the district researched possible joint ventures with Everett Transit?

Joint ventures with local transit companies have worked in other areas.

Yes, the district has had such conversations. At this time, however, the scheduling and stops for transit services are not in synch with the school schedules and locations for students. There are simply not enough routes, and transfers make it time prohibitive. For some students, the number of required bus transfers and the wait time in-between those transfers, would prohibit their being able to get to school on time. We will continue to explore other transportation options, however.

Staff Questions

Some Speech-Language Pathologists now working in the District are from outside agencies.

Will their positions be filled next year?

If not, would that reduce the number of SLPs and therefore mean higher SLP caseloads?

It is not our intent to increase SLP caseloads next year. We make every attempt to fill positions, but when unexpected openings happen, we may have to use agency staff.

Staff Questions

With budget cuts and layoffs, why are we still remodeling Whittier and Jefferson this summer?

Construction and remodeling projects are paid for out of a different fund. “Capital project” funds, which voters authorize for brick and mortar, cannot be used to pay for teachers or other direct classroom support or to reduce class size.

Staff Questions

I understand that the Governor proposes raising the levy lid so school districts can receive levy dollars already approved by voters.

Are we paying attention to this and is the Everett School District including this possibility in our calculations and the District's long-range planning?

House Bill 1776, which may be considered in a special session, would increase the levy lid for some districts next school year. Because Everett will be able to collect the full amount of our levy for 2009-10, the bill will provide no additional funding.

However, we are actively working with other districts to develop legislation that would maximize the benefit to our district for 2011 and beyond.

Staff Questions

Why is there not even one cut in cabinet positions?

I am not trying to be disrespectful but, frankly, the staff reductions seem quite lopsided and have the appearance of protecting one of your own.

I have made this decision. Some of you have asked if I am staying to work in the district next year. I am not.

But I know how important the right management team can be to a Superintendent. In Everett, I have worked on the cabinet for a superintendent, as part of the Cabinet, and this past year, as your superintendent.

I am willing to make important cabinet decisions – even cutbacks – when needed. However, I am trying to position the district in the best possible position for recovery and program sustainability – even with the horrible budget conditions that exist.

I have left cabinet-level leadership and reorganization decisions to your new Superintendent.

Staff Questions

We, as EPS employees, understand the money crunch the Everett School District is in. Perhaps we as individuals, and the different employee groups can work with the District during these hard budget times to continue programs. When the economy turns around, it may be a year or more. Will these cuts that we made together be undone? Specifically, I am concerned about jobs where we are asking the employees to take less money but do basically the same job.

It is impossible to speculate exactly how the District will operate a year from now. As you know, I won't even be here. We have Board Elections in November, and a replacement levy in February. These will all affect the turnaround.

Historically, when more funding has been available, we have used available additional money for programs that support student learning. The most visible example is our use of I-728 dollars for facilitators, class size reduction, extended day and other academic achievement programs. I-728 money came slowly to us for about eight years, and in that time, it became a vital part of how we operate. Now it is being drastically reduced in one year. The \$8 million per year we are used to is being slashed by at least \$6.5 million.

Federal Stimulus money, although not fully defined, will only be available for two years. So we won't be able to use it to start programs we want to sustain beyond two years.

If and when stable, long-term funding is restored, it is likely to happen again gradually. Unless the District's mission were to change, funding and staffing in the future would always be used to support all students learning to high standards and graduating on time.



2009-10 Budget Planning

**Budget Webinar
May 1, 2009**

Thank you for joining us today.