



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
May 6, 2009**

TO: City Council

FROM: Mayor Rob Schroder

PREPARED BY: Philip Vince, City Manager

SUBJECT: Martinez Unified School District's Request for Financial Support To Reduce the Number of Proposed Teacher Layoffs in FY 2009/10

DATE: April 30, 2009

RECOMMENDATION:

Consider the Martinez Unified School District's (MUSD) request for funding.

BACKGROUND:

The MUSD approached the City three months ago requesting a one time donation of funding to reduce the layoff of up to 45 employees in 2009. The majority of scheduled layoffs include teachers.

While the MUSD successfully passed a \$50 dollar parcel tax in November 2008, an anticipated \$500,000 in additional funding will not be available until 2010. The school district request for funding from the City in the amount of \$200,000 to \$500,000 is intended to be used as a stop gap measure until further resources are available.

Although cities such as San Francisco, Pinole and Richmond have made financial contributions to their respective school districts to lessen the impact of teacher layoffs, the funding source came from Redevelopment dollars. Since Martinez does not have a Redevelopment Agency, the General Fund Reserve would be reduced by the allocation amount.

In the spirit of cooperation the MUSD and the City want to use this forum as an opportunity to share resources that would create more efficiency for both agencies. A number of cost saving ideas were discussed, including:

- The use of Alhambra High School swimming pool based on availability, while the City closes down the Rankin Park pool site for nine months during construction in 2010;
- reducing the costs associated with renting the Performing Arts Theater located at

- Alhambra High School by local theater groups;
- realizing significant saving from leasing and purchasing vehicles and equipment together;
 - joint use and operation of a Corporation Yard by Martinez Unified School District and the City of Martinez; and
 - a use agreement to share use of ball fields while the City is rebuilding a number of parks around the City.

FISCAL IMPACT:

The City of Martinez is also in a precarious financial position with property and sales tax estimates reduced by \$525,000 per year the next two fiscal years. If the reduced revenue estimates fall below the projected amounts, the City will have to make further cuts to the budget or rely on General Fund Reserves.

While the City has no additional ongoing operating reserves to share, it does have an unrestricted general fund reserve of over 25%. These are one time savings that accumulated over a number of years which are intended for City emergencies and disasters. These unallocated funds can be appropriated at Council's discretion.

The MUSD has requested a donation ranging from \$200,000 to \$500,000, which provides Council with a range of options. If the Council agrees to make a formal contribution tonight, staff would like to emphasize the fragile state of the next two year budget and the continuing uncertainty with the State's budget whose fate is in the hands of the California voters.

ACTION:

Direct staff accordingly, as to the next steps needed.



MARTINEZ UNIFIED SCHOOL DISTRICT

"Together we will ensure diverse paths to success and a quest for knowledge"

SCHOOL BOARD

*Denise Elsen
John Fuller
Vicki Gordon
Kathi McLaughlin
Ron Skrehot*

April 20, 2009

DISTRICT STAFF

Superintendent
Rami Muth

**Assistant Superintendent
Personnel Services**
Rick Rubino

**Chief Business
Official**
Liz Robbins

**Director
Student Services**
Nancy Btrenbaum, Ed.D.

Dear Mayor Schroder and Members of the City Council,

Martinez Unified School District, like most districts in the state of California, is in the midst of a fiscal crisis. We are striving to respond to a \$ 2.1 million budget deficit that is a result of a significant decrease in state funding as well as a decline in our student enrollment. On February 23, 2009 we issued notices to 45 District employees that they may lose their jobs this fall. That number represents 20% of our certificated staff and does not include the projected number of classified staff that may also lose their jobs. It is because of the depth of this problem that I am reaching out to the City of Martinez for support.

SITE

ADMINISTRATORS

Alhambra High
*Sue Mirkovich
Principal*

**Vicente Martinez /
Briones School**
*Carol Adams
Principal*

**Martinez
Junior High**
*Helen Ross
Principal*

**John Muir
Elementary**
*Kathleen Kizzlee
Principal*

**John Swett
Elementary**
*Marjorie Pompe
Principal*

**Las Juntas
Elementary**
*C.J. Canmack
Principal*

**Morello Park
Elementary**
*Ann Dodson
Principal*

**Martinez Adult
Education**
*Kathy Farwell
Director*

We currently have 3,977 students in the District and run a comprehensive program, which includes preschool, four elementary schools, one junior high, one comprehensive high school, one continuation high school and one independent study school. Martinez Adult Education (MAE) is a testament of our commitment to lifelong continuous learning. MAE is an adult school that provides a wide range of learning opportunities for the more than 10,000 participants who attend the varied certification programs, recreation and leisure program classes. Many are residents of the community. We believe that our schools help to nurture the skills, hopes and dreams of our students to become positive and productive members of society. Our schools attract young families who want to live in a safe and supportive environment. The Martinez community reaps the benefits of our outstanding educational program.

The recently passed parcel tax will be a tremendous resource to us in meeting the fiscal challenges we face. We are anticipating that the parcel tax will generate approximately \$500,000 and those funds should be available to the District sometime in early January of 2010. We are also looking forward to the support from the American Recovery and Reinvestment Act. Unfortunately, these funds coupled with the cost saving measures we have instituted leave us far short of our goal of a balanced budget. I am asking the City of Martinez to consider a one-time grant of \$200,000 - \$500,000 to the Martinez Unified School District. This donation would allow us to maintain small class size in grades K - 3 and to retain some of the teachers designated for layoff. I would like to translate these funds into real examples so you can see the impact this donation would have on the Martinez Unified School District. We would be able to save the jobs of eleven teachers and have class size ratios of 25:1 in grades K - 3 at a cost of \$344,863.

The cost to maintain class size at 20:1 and save the jobs of approximately 18 teachers would be \$650,075. A \$200,000 donation would save the jobs of approximately 3-4 employees and could be matched with federal stabilization funds to help keep class sizes small.

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www.martinez.k12.ca.us

4/28/2009

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The cities of Richmond, Pinole and San Francisco have forged such a partnership with their local school districts. This donation would allow us to continue to serve the community of Martinez with the high level of service it so richly deserves.

In the spirit of cooperation I would like to extend our support to the City of Martinez by offering some possible ways District resources could be beneficial to you. The joint use agreement of our facilities would require appropriate insurance and liability coverage on the part of the City. I have listed some options for your consideration.

- o Lease of the property adjacent to Las Juntas Elementary School as a potential location for a City Corporation Yard. The use of the existing house for additional office staff could also be discussed. Due to the proximity to the school the following factors will need to be considered:
 - Zoning
 - Use of any hazardous chemicals or materials
 - Traffic

If this option does not become feasible we are willing to explore the possibility of partnering with the City to create a joint Corporation yard at the Water Treatment Plant.

- o Use of the Alhambra Pool during the time the city pool is closed for renovation. This would require discussion about availability of the pool and costs related to the maintenance and operation of the pool.
- o The City and District could partner to purchase and/or lease supplies and equipment at a better negotiated rate for economy of scale savings.
- o Reduced facilities fees for Willows programs and other city-sponsored recreational, sports and educational activities. It is our goal to partner with the City to offer more extensive recreational and educational programs for the benefit of the children of Martinez.
- o Use of district facilities (at a reduced rate) for trainings.
- o Participation in a possible demographic study examining birth patterns and trends. This will be used as part of a school evaluation study regarding utilization of facilities within the District.
- o Access to Alhambra High School auto shop for smog certification and car repair at reduced rate.

Some say you can measure the success of a community by the way it cares for and provides for its youngest citizens. The United Nations Declaration states, 'Mankind owes to the child the best it has to give.' I know that the City of Martinez wants no less. I respectfully ask for your consideration of this proposal as a means to support the District during these fiscally uncertain times.

Sincerely,



Rami Muth
Superintendent
Martinez Unified School District