



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
June 3, 2009**

TO: City Council

FROM: Mayor Rob Schroder

PREPARED BY: Philip Vince, City Manager

SUBJECT: Consider Martinez Unified School District's Request for Financial Support in FY 2009/10

May 29, 2009

DATE:

RECOMMENDATION:

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

BACKGROUND:

The MUSD Superintendent gave a PowerPoint presentation at the May 6, 2009 City Council meeting requesting financial assistance from the City to help offset the proposed layoff of teachers in the next fiscal year (Attachment #1A and #B).

The Council deliberated the matter for some time and made no decision, primarily because the May 19, State election had a number of propositions that might impact the financial status of the City.

In addition, Councilmember Delaney could not attend the May 6 Council meeting, and thus submitted a number of written comments from various community members that represented a spectrum of opinion and analysis along with her own comments (Attachment #2).

The MUSD responded to Councilmember DeLaney's questions in a letter sent to the Mayor and the City Council on May 27, 2009, including a 2007/08 financial report from the District (Attachments #3A and #3B).

Superintendent, Rami Muth, delivered a revised letter to the Mayor and City Council on May 28, 2009 (Attachment #4), which contained many of the same points emphasized in her letter sent to the Mayor and Council dated April 20, 2009.

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, which will drop to almost 20% of the operating budget over the next two fiscal years.

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, 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 City's next two year budget, which was exacerbated by the failure of all the revenue measures proposed in the May 19 state election.

State Finance is planning to utilize the borrowing option in Prop 1A passed by the voters in 2004. If this recommended action is approved it will be a one time hit to the General Fund Reserve in the amount of \$847,000 in Fiscal Year 2009/10.

ACTION:

Consider request by the MUSD and direct staff accordingly.

Attachments:

- #1A MUSD PowerPoint from May 6th
- #1B MUSD Final Reduction Budget List
- #2 Councilmember DeLaney's Comments from May 6th
- #3A MUSD Letter May 27th
- #3B MUSD Financial Report
- #4 MUSD Letter May 28th



Martinez Unified School District Final Budget Reduction List

	Item	Note: FTE = Full Time Equivalent	Amount
1.	K-3 Class Size Reduction target 30:1 based on school configuration (Loss of 24.6 FTE)		\$650,975
2.	Eliminate Department Chair stipends		\$86,650
3.	Integrate Health into 9 th grade Physical Education		\$51,561
4.	Reduce Computer Applications @ AHS		\$50,000
5.	Eliminate 9 th grade CSR (class size reduction)		\$106,058
6.	Eliminate 1 certificated librarian – 1 librarian equally shared between Alhambra High School and Martinez Junior High School (1 FTE)		\$61,080
7.	Eliminate Assistant Athletic Director		\$2,376
8.	Primary use of online Data Director to reduce copies and paper		\$2,500
9.	Eliminate purchase of new library books		\$6,000
10.	Eliminate administrative substitutes		\$5,000
11.	GATE		\$25,000
12.	Reduce district vehicle usage		\$1,000
13.	Martinez Junior High School Para Educator C		\$26,525
14.	Reduce Curriculum and Instruction Director to .5 Coordinator		\$91,440
15.	Eliminate paid retreats		\$2,000
16.	Eliminate all catered luncheons for interview panels, negotiations, workshops, etc.		\$5,000
17.	Reduce professional development, travel and conferences		\$27,281
18.	Reduce .4 Counselor - align resources between Martinez Junior High School, Vicente and Alhambra High School (.4 FTE)		\$24,621
19.	Reduce copy leases and current copy charges		\$11,000
20.	Eliminate custodial overtime for non-emergency situations		\$7,851
21.	Reduce Bilingual Para Educator – 1 person at 3.5 hours		\$15,032
22.	Eliminate District-paid finger printing for substitutes and new employees		\$5,000
23.	Eliminate 3-hour Martinez Junior High School custodial position		\$6,900
24.	Eliminate Vicente Briones Para Educator C @ 3 hours and Para Educator B @ 3 hours		\$23,153
25.	Reduce Martinez Junior High school secretary position from 5 hours to 3 hours per day		\$13,379
26.	Reduce progress report mailings		\$6,000
27.	Eliminate guest speaker for Institute Day		\$3,750
28.	Eliminate Electrician @ 1 FTE		\$79,958
29.	Eliminate Indian Education secretary position @ .8 FTE		\$49,094
30.	Eliminate Computer Technician @ MAE @ 5 hours		\$57,583
31.	Supplemental hourly programs (categorical flexibility)		\$100,000
32.	Instructional materials (categorical flexibility)		\$40,000
33.	Reduction of 4 FTE at secondary level		\$240,000
34.	Reduce BTSA/PAR services for new teachers		\$23,298
35.	Routine repair and maintenance (categorical flexibility)		\$50,000
36.	Deferred maintenance (reduction of required match)		\$77,000
37.	Eliminate Painter @ 1 FTE		\$76,048
	Total		\$2,110,113.00



Attachment #2

CITY OF MARTINEZ

**CITY COUNCIL AGENDA
May 6, 2009**

TO: City Council
FROM: Councilmember Lara DeLaney
SUBJECT: MUSD Request for Financial Support
DATE: May 6, 2009

As I am unable to attend the City Council meeting on May 6, 2009 because of a prior personal commitment, I would like to submit these comments for your consideration. I understand from the Mayor that no decision by the City Council is expected to be made on May 6; therefore, I appreciate the opportunity to provide these remarks and participate in a decision at a subsequent City Council meeting.

I would like to begin by offering the following comments I received from some of our constituents, having solicited input from a range of my personal contacts. These comments, which will undoubtedly be echoed by those you will receive at the May 6 meeting, represent the spectrum of opinion and analysis that can be offered at this time.

(Please note that I neglected to mention to my respondents that I would be reproducing their remarks, so I am not providing attribution to any comment. However, the comments are unedited--excepting typos; only the names have been removed.)

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#1.

Lara: my apologies for being late with my response --- time goes fast when you're retired and signed up to do a lot of things just as it does when you're working and holding down an elected office at the same time!

Anyway, bottom line I support this proposal. I do think the voters gave a good faith support of the parcel tax to support programs wrongly identified as 'frills' but which I as an educator know are really important to the growth of all students with the emphasis on ALL--not just those who succeed in standard reading/writing education. The fact that the economy crumbled at the same time state government totally reneged on its responsibilities set up a situation none could foresee whereby the fact that the revenue would not accrue for a year could be so devastating. At the same time, I think it is totally reasonable for the City to receive the benefits listed under the five conditions for use of school facilities such as the swimming pool and the theatre as well as the joint corp yard. Mike has been proposing that for years and I agree with him that it seems a most sensible idea.

I very much appreciate the City's consideration of this proposal as I do the School District's thinking outside of the old boxes. Since you are in the enviable position of having a strong reserve, it seems that the mutual benefits to both entities is exceeded only by that to the community as a whole. On the other hand, the City Manager's caution about the future is well taken. Therefore some sort of proviso for repayment which may or may not include the value of the 5 conditions needs to be included.

Thanks for asking my opinion, Lara -- I hope this gets to you in time.

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#2.

Here is my two cents worth....

First I have to say I am curious why the amount requested is \$200,000 to \$500,000. This is a BIG difference. What do they actually need?

Next, there is the question of “donation” vs “loan”.

- I think a “donation” is out of the question with the dicey economy.
- I think it should be a loan, with interest, all of which can be phased. I think the City has the ability to “forgive” all or part of the loan/interest if appropriate in the future.
- As a side note, if someone wanted money from me to run a program or a business and I was considering investing, I would want to know... How much? What is this \$\$\$ going to do? And now that I have invested, how are you going to adjust your budget to make sure my investment is going to succeed?

Thirdly is...if this is an “agreement” between the two jurisdictions, what should the city get?

- The City should get interest on their money (unless forgiven) and agreement to seek better mutual use of OUR public facilities.
- Generally I like where Phil is going with his shared resources, but I don't think it goes far enough. I believe citywide resources should be jointly used when ever possible.
- Alhambra pool should be available to the citizens of Martinez when ever it is not used for school purposes, not just during Rankin renovation. Consider summer water aerobics, adult lap swim, etc. at Alhambra and Rankin pool for youth programs and family swim.
- Why should the shared use of ball fields be limited to city park rebuilding?
- The Performing Arts Theater is a public facility that's use should be allowed by community groups, as appropriate based on fees only necessary to cover costs.
- Definitely joint leasing and purchasing and joint use and operation of a Corporation Yard are no brainers and it surprises me MUSD didn't suggest these things long ago in an effort to free up much needed teacher \$\$\$\$.
- How about local (shuttle-school) bus service?
- Is there opportunity to use common technological services?

Lastly it should be noted that the other cities cited that have made financial contributions had done so from redevelopment funds. It seems to me that school folks tend to oppose redevelopment because they see it as taking money right out of their mouths. I know we cannot

hold their feet to the fire and demand that they support redevelopment, but they should definitely be educated on how other jurisdictions get such "bailout" money. Also, could the establishment of a redevelopment agency lead to forgiving of interest and or all or a portion of the loan, there might be more support.

I must also let you know that your e-mail request for comment went well beyond those you sent it to. I received notes from others.... recalling how you were the only Council member opposing the Willows request. But even that person thought it was a pity that it would be necessary to forge a written agreement to use each others facilities when in fact all belong to the community.... and someone needs to mind the "piggy bank" so the City doesn't go broke.

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#3.

Hi Lara,
I would be in favor of providing the funding for the schools. I feel it is very important to keep our teachers and maintain the quality of our schools. When choosing a location to live, one of the most important issues for families are the schools in the area. Martinez's schools are essential to Martinez's growth as a community.
Sharing resources between the schools and the city is also a very appealing advantage. I see this as a win / win situation.
I understand that the financial situation is precarious, but can we "afford" to not support our school district?

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#4.

Lara, thanks, after talking to --- he informed me that the bond money could not be repaid as it was being used for things outside of the parameters of the allowances for the bond.... so my vote would change, to "no," everyone will have to tighten their belts and this is not the time to be giving money so that things can remain "the same" at the school district. I know this will not make you popular if you vote this way- wish there were others who thought so clear headed as you, I know it must be a struggle.

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#5.

Don't do it.

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#6.

I would advise caution, Lara. I especially see the County shifting O&M costs for the antiquated library facility on Court St as being problematic for future City budgets. Are you in a position to explore more of a financial partnership with MUSD for shared facilities as opposed to a straight out gift? Or would saying "no" be political suicide? I would understand if you vote with their request. I would also support you if you said "no" (and my son currently attends John Muir Elementary (although we are moving to Hidden Lakes later this month). If you can negotiate

some other kind of arrangement (give you our \$ now if you gives us cheap/free access to your facilities later), I think you would come out strong.

My two cents.

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#7.

Hi Lara,
I don't think we have much of a choice. Our school system and students cannot afford to lose teachers.
Thank you for giving us the opportunity to respond.

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#8.

Hmmm. Well, first off I'd say - it would be more palatable if they the city could accomplish the bail out with a legal loan instead of a gift with a guaranteed pay-back. If they did that the way the County loaned money to Doctor's Hospital, the city would be sure of regaining its reserves in the future. While I think any transfer from the city to the schools is a slippery slope - it sounds like the request could be accommodated through a pay-back mechanism - and it's for teachers. Does the full proposal guarantee that the money will be used for classroom teachers? The State borrowed money for infrastructure and immediately started spending it on salaries. Personally, I think city monies and school monies should be separate and that the schools should find another source to borrow from --- or live within their means. On the other hand --- teachers are important. Have you seen the plan of what the lost teacher positions would look like to verify the accuracy of the data?
My response sounds wishy-washy to me ... on the whole ... I'm against the plan.

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#9.

Thank you for the opportunity to comment on this proposal, I have a definite opinion to share.

The MUSD is only one of many agencies or organizations, private or public, that are being challenged in the current economic situation. The difference is that some recognize the challenge early on and start making the adjustments / changes required to survive and reconstitute their operation to the new order of things. Obviously, the best at this are the "entrepreneurs" who have no where to turn but their own resources. They are the ones that have lost their bank lines of credit, through no fault of their own, and are now hustling to keep things together.

In my opinion, MUSD and the community have been "spoiled" by the relative ease with which they have floated property assessments and bond issues with relative ease. Whether it's the City and parks or the school district / facilities they have gotten used to having funds made available. Personally, I find it interesting that the people who push for these funds tend to include those who have problems with RDAs and fail to acknowledge the potential help from well run programs.

I believe that the current economic situation is long term, ie 5 to 10 years to work through and will carry a tremendous Federal tax burden for decades into the future. The point being, if you have reserves - hold on to them, you are going to need them! If you are in a bind and don't have contingency strategies, you best get started on them now - you are going to need them to even have a chance at surviving!

Re: the cost saving opportunities mentioned by the City Mgr. I agree whole heartedly that those should be pursued, they should have been doing this all along. This is NOT a strategy you buy into now as justification for handing out public bailout money. Knowing how susceptible the Council is to the unions etc. I can pretty well guess the vote now, 4-1.

With MUSD casting a "wide net", \$200 to \$500K it seems obvious that they are fishing for any and all funds and have not put a hard headed strategy together to really see them through.

I recognize that there may be options and /or strategies not covered here that might make something viable in terms of help. The schools are important to the community and must be made stronger and more efficient. I trust you to be the voice of reason and to lead the effort to ferret out workable scenarios.

Again, thanks for asking!

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#10.

I would oppose this request for funding. The School District is an independent district. It raises its own funds by taxes and bond issues, and it spends as it sees fit. It is not a subset of the Martinez City Government and does not take its marching orders from the City Council. But now it comes, hat in hand, to beg for money. It needs to learn to do its own budgeting and trim its sails when the financial winds require. Fortunately, through good stewardship of its treasury, the City of Martinez has some funds left. These should be held for Rainy Day needs of the City of Martinez. This is not a time to prop up an overspending school district. School Districts throughout California are rather expert at putting funding issues on nearly every ballot every two years. To listen to them, they never have enough money, no matter how much they get. And they have the audacity to consistently tell us "It's for the Children," while in reality it is always for teachers' salaries. They tell us we need smaller classes (i.e., more teachers), but in many, many countries where they have larger classes, they have far better performing students.

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#11.

Hi Lara,
Thanks for the information. I don't support a "donation", but I will support a City loan to school until parcel tax materializes for school.

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#12.

Gosh, this is one of those things if you disagree you are labeled as someone who hates kids or teachers. Personally, I really don't think it is appropriate for the city to get involved in the school's problems. Politically, I am not on the same page as the teacher's union so I am probably not the right person to ask, since I believe the teachers and professors are brainwashing our kids politically. Off the soap box now.

The lottery was voted by California voters to take care of their problems. Are they not fiscally conservative enough to balance their budgets?

No matter which way you go, it will not be popular. I don't envy your position in having to make a decision.

This City should conserve their resources in case there is some disaster or emergency, God forbid.

Since ---- said that MUSD was getting the money, given that, if you vote against it now, you will pay for it at the polls.

That is the best I can do for you, kiddo. Good luck.

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#13.

Hi Lara,

I want to first thank you for asking for opinion on this matter. I sincerely love the City of Martinez and the MUSD and want to do whatever possible to help in its success.

I believe our future is our children and emphasis must be focused on education. With that being said I also think we need to invest in Martinez to maximize any opportunity to raise money. The pool is a great example as I believe the City can realize much gain if the pool is built to yield multiple uses (i.e., waterpolo, swimming, adult lap swim, etc.).

So, I fully support the City supporting MUSD.

I hope this helps and please let me know if you would like any additional information!

Thank you again!

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My comments:

Not having personally received any financial reports from MUSD, I feel that I am not well enough informed about their financial structure and status at this time to respond cogently to this request. However, I would advise the City staff to endeavor to receive information about the following items prior to returning this matter for Council's decision, and I would respectfully request that the City Council consider the need for and value of this information prior to its decision:

1. An accounting of all undesignated and designated reserves held by MUSD and any policy or fiduciary restrictions on their use.
2. The ability of MUSD to repay a loan (over what course of time) and the identification of a repayment source.

3. An explanation of the timeframe for the resolution of this matter. (It has been claimed that a decision on May 6 was required or layoffs would go into effect. What is the “drop dead” date for a decision from the City in order to avert the layoffs that this support is intended to eliminate?)
4. An explanation of how one-time funding would be used to support on-going personnel costs.
5. An accounting of the structural changes that are being considered/ have been incorporated into MUSD budgeting which would suggest that situations like these will not recur.
6. Whether a policy on joint use can be developed for school facilities when not used by students and when such a policy could be developed.
7. An identification of opportunities for joint use of a Corporation Yard and a timeframe for the development of such a proposal.
8. The likelihood of a request from Mt. Diablo Unified School District for similar support.
9. A determination of how the amount of the \$200k to \$500k was arrived at.
10. An estimate of the ARRA funds MUSD anticipates receiving in FY 2009/10.
11. The percent of Martinez students who attend school in MUSD and the Mt. Diablo Unified School District.
12. The percent of students who attend MUSD schools who are not Martinez residents.
13. An estimate of the potential revenue loss to the City of Martinez from a Prop. 1A “borrowing” by the State, should the May 19 propositions fail and the State negotiates a budget using local property tax revenue.

Thank you for your consideration of these comments.



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*

May 27, 2009

DISTRICT STAFF

Superintendent
Rami Muth

Assistant Superintendent

Personnel Services
Rick Rubino

**Chief Business
Offical**
Liz Robbins

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

Mayor Schroeder and Members of the City Council

I want to thank you for affording me the opportunity to explain the proposal on behalf of the Martinez Unified School District. Please find below my responses to the questions posed by Councilmember DeLaney. I want to provide some context for my remarks as there seems to be some misunderstanding about my request. The convergence of many economic conditions on both the state and national level has led to a loss of revenue to our District and Districts throughout the state. These unprecedented times have led us to this request. We serve the same constituency. If the schools in Martinez flourish so too does the City. This is a request for a donation (not a loan) to help us save the jobs of some of our employees, many of whom are residents of Martinez. We understand the complexity of this request and your need to consider all of the variables before a decision can be made. We appreciate your willingness to consider this request at this time.

SITE

ADMINISTRATORS

Alhambra High
*Sue Mirkovich
Principal*

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

**Martinez
Juntor High**
*Helen Rossi
Principal*

**John Muir
Elementary**
*Kathlean Kizzie
Principal*

**John Swett
Elementary**
*Marjorie Pampe
Principal*

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

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

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

1. An accounting of all undesignated and designated reserves held by MUSD and any policy or fiduciary restrictions on their use.
 - a. In a School District budget reserve funds are for a specific purpose and are one time in nature. We are legally required to have a minimum 3% reserve for economic uncertainties (\$905,586). We also have a 2.3% reserve that is legally restricted for state funded categorical and locally funded programs (\$681,681). An additional 2% is allocated for programs such as mandated costs and federal medi-cal programs (\$559,485). The Sprint/Metro AHS reserve (\$50,858) is designated to partially support the vice principal salaries at Alhambra High School .The remaining reserves are designated for special education legal fees, retiree health benefits, decrease in lottery funding and declining enrollment (\$600,000). \$26,403 is the undesignated reserve in the fund balance.

2. The ability of MUSD to repay a loan (over what course of time) and the identification of a repayment source.
 - a) This is not a request for a loan. This request is for a one-time donation or grant of funds.

3. An explanation of the timeframe for the resolution of this matter. (It has been claimed that a decision on May 6 was required or layoffs would go into effect. What is the “drop dead” date for a decision from the City in order to avert the layoffs that this support is intended to eliminate?)
 - a. On May 15th final layoff notices were issued. The presentation on the 6th was an attempt to avert having to issue final notices to some of our employees. Since this date was not met the notices can be rescinded at a later date if funding becomes available. It is our hope to notify teachers that their jobs have been saved prior to the close of the school year on June 12th.
4. An explanation of how one-time funding would be used to support on-going personnel costs.
 - a. One-time funding is not usually used for on-going expenses but these are not normal times. It is our goal to preserve the jobs of our employees for as long as possible. If these funds prevent the job loss for one or two years than those people have not been added to the unemployment statistics for that period of time. We believe that the financial picture will stabilize on the state and national level which will provide Martinez Unified School District with the necessary resources to maintain the employment of our teachers.
5. An accounting of the structural changes that are being considered/ have been incorporated into MUSD budgeting which would suggest that situations like these will not recur.
 - a. The financial situation we now face is not due to fiscal mismanagement or fiscal irresponsibility on the District’s part. This situation is due to the economic instability we are facing on a state and national level. We have always maintained the state mandated reserves and will continue to do so.
6. Whether a policy on joint use can be developed for school facilities when not used by students and when such a policy could be developed.
 - a. We are willing to work together to develop a policy governing joint use agreements as soon as possible.
7. An identification of opportunities for joint use of a Corporation Yard and a timeframe for the development of such a proposal.
 - a. The opportunities have been outlined in our proposal. We are willing to open discussions in the near future relative to the use of a Corporation Yard.
8. The likelihood of a request from Mt. Diablo Unified School District for similar support.
 - a. Mt. Diablo is a separate entity and you would need to contact them to determine their intentions.
9. A determination of how the amount of the \$200k to \$500k was arrived at.
 - a. The original proposal was based upon class size reduction. I worked closely with city staff and it was at their suggestion that the proposed range be

established. The cost to preserve class size at 25:1 in kindergarten through third grade is approximately \$370,000. This amount includes the amount of revenue we receive for class size reduction as well as the cost of the teachers for the program. \$370,000 would save the positions of six certificated teachers. A donation of \$200,000 is roughly equivalent to 3+ certificated teachers.

10. An estimate of the ARRA funds MUSD anticipates receiving in FY 2009/10.
 - a. We anticipate received \$156,000 in Title I funds which are restricted in use to Title I schools and can only be used to supplement existing programs. We are also estimated to receive \$651,000 (which has changed from \$809,000 since our presentation on May 4th) in IDEA to support special education services. Special education is under funded by the state and federal government and encroaches into the general fund by \$1.9 million. A portion of the \$651,000 *may* be used to offset that encroachment. There is limited degree of flexibility as to how these funds can be spent. The stabilization funds of \$1,038,290 will be used to offset the additional loss in revenue we anticipate due to the results of the May 19th election.
11. The percent of Martinez students who attend school in MUSD and the Mt. Diablo Unified School District.
 - a. Roughly 25% of Martinez residents attend Mt. Diablo schools and 75% attend Martinez schools.
12. The percent of students who attend MUSD schools who are not Martinez residents.
 - a. We have a total of 138 students who attend Martinez schools from other districts. This is approximately 3.4% of our total student population.
13. An estimate of the potential revenue loss to the City of Martinez from a Prop. 1A “borrowing” by the State, should the May 19 propositions fail and the State negotiates a budget using local property tax revenue.
 - a. We anticipate there will be an additional loss of approximately \$1.2 million beyond the \$2.1 million we have already planned to cut from the budget.

Thank you for your consideration of these comments.

District Reports				Tools 
Use the pull-down menus to find a wealth of financial, demographic and performance data.				  
Select Report	Financial Reports for District	County	Contra Costa	
Year	2007-08	District	Martinez Unified	

Intro **All Funds** General Fund Activity Instructional Programs Revenue

All Funds Martinez Unified • FISCAL YEAR: 2007-08		Print Help
921 Susana St. Martinez, CA 94553-1848 Phone (925) 313-0480 CDS: 07 - 61739	This All Funds page includes: <ul style="list-style-type: none"> • Governmental Funds • Proprietary Funds • Fiduciary Funds 	
<p>Questions about the data? The figures reported here are "unaudited actuals," not the district's or county office's "budget." Please contact the district or county office directly for questions about its current budget.</p> <p>Click here for information about Ed-Data financial reports and here to learn more about the data.</p>		

School districts use a system called fund accounting to record all their revenues and expenditures. Their money must be placed in one of many prescribed or permissible funds. Each fund has revenues, expenditures, and a fund balance.

The various funds fall into three broad categories: governmental, proprietary and fiduciary. **Governmental funds** account for activities, typically tax-supported, that include the education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt. Within the governmental fund category all districts have a **General Fund** that captures most of the district's operations. It is the largest fund--what most people think of as "the budget." The other funds, which range from cafeterias to construction, often have significant restrictions about how the money may be used. Districts vary in which funds they have, especially in the proprietary and fiduciary categories.

Proprietary funds cover businesslike activities when a fee is charged to external users or to other organizational units of the district; these funds are generally intended to be self-supporting. **Fiduciary funds** account for assets held in a trustee or agency capacity, such as retiree benefits; they cannot be used to support the district's own programs.

This summary includes the funds the state requires districts to report. Some districts maintain fiduciary Agency funds which account for resources that are set aside and then paid to the appropriate entity. An example is the Warrant/Pass-Through Fund for employee taxes, credit union, etc. These optional Agency funds do not have to be reported to the California Department of Education, but they are part of the district's audited financial statement.

Ed-Data does not provide a per-pupil calculation for revenues on the All Funds tab because they vary based on unique district circumstances. Given such variations, comparisons on a per-pupil basis would be meaningless at best and could be extremely misleading. Per-pupil revenue figures based on General Fund revenues may be found on that tab. Such figures are the most appropriate to use for comparing the funds available to districts regardless of their size or configuration.

Note: Districts and county offices report their revenues and expenditures to the California Department of Education (CDE) prior to the completion of their annual audit. Every effort is made by the CDE to catch errors or misinterpretations. However, the unaudited information is not changed after it has been certified and released by the CDE. Therefore, this report may include some uncorrected data.

GOVERNMENTAL FUNDS (01-60)						
Martinez Unified, 2007-08						
Fund	Description	Adjusted July 1 Beginning Balance	Total Revenues	Total Expenditures	Other Financing Sources/Uses	June 30 Ending Balance
General Fund (01-08)						
01	General Fund	\$4,171,363	\$30,942,828	\$30,902,671	\$(71,137)	\$4,140,382
Subtotal, General Fund		\$4,171,363	\$30,942,828	\$30,902,671	\$(71,137)	\$4,140,382
Special Revenue Funds (09-20)						
09	Charter Schools Special Revenue Fund	\$0	\$0	\$0	\$0	\$0
11	Adult Education Fund	226,014	4,480,555	3,982,585	0	723,984
12	Child Development Fund	0	0	0	0	0
13	Cafeteria Special Revenue Fund	(30,331)	947,729	991,263	0	(73,865)
14	Deferred Maintenance Fund	708,013	233,620	234,161	221,137	928,608
15	Pupil Transportation Equipment Fund	0	0	0	0	0
17	Special Reserve Fund for Other Than Capital Outlay Projects	0	0	0	0	0
18	School Bus Emissions Reduction Fund	0	0	0	0	0
19	Foundation Special Revenue Fund	0	0	0	0	0
20	Special Reserve Fund for Postemployment Benefits	591,980	23,497	0	0	615,478
Subtotal, Special Revenue Funds		\$1,495,677	\$5,685,401	\$5,208,009	\$221,137	\$2,194,205
Capital Project Funds (21-50)						
21	Building Fund	\$317,202	\$11,378	\$313,816	\$0	\$14,764
25	Capital Facilities Fund	1,259,046	597,237	1,454,730	0	401,553
30	State School Building Lease-	0	0	0	0	0

	Purchase Fund					
35	County School Facilities Fund	1,469	(19)	1,293	0	157
40	Special Reserve Fund for Capital Outlay Projects	8,694,164	2,171,556	3,044,564	(150,000)	7,671,157
49	Capital Project Fund for Blended Component Units	0	0	0	0	0
Subtotal, Capital Project Funds		\$10,271,881	\$2,780,153	\$4,814,403	\$(150,000)	\$8,087,631
Debt Service Funds (51-56)						
51	Bond Interest and Redemption Fund	\$5,484,539	\$3,858,676	\$3,974,370	\$0	\$5,368,846
52	Debt Service Fund for Blended Component Units	0	0	0	0	0
53	Tax Override Fund	0	0	0	0	0
56	Debt Service Fund	0	0	0	0	0
Subtotal, Debt Service Funds		\$5,484,539	\$3,858,676	\$3,974,370	\$0	\$5,368,846
Permanent Funds (57-60)						
57	Foundation Permanent Fund	\$0	\$0	\$0	\$0	\$0
Subtotal, Permanent Funds		\$0	\$0	\$0	\$0	\$0
Total, Governmental Funds		\$21,423,460	\$43,267,058	\$44,899,454	\$0	\$19,791,064
Source: California Department of Education, School Fiscal Services Division - SACS Unaudited Actual Data.						

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PROPRIETARY FUNDS (61-70)						
Martinez Unified, 2007-08						
Fund	Description	Adjusted July 1 Beginning Balance	Total Revenues	Total Expenditures	Other Financing Sources/Uses	June 30 Ending Balance
Enterprise Funds (61-65)						
61	Cafeteria Enterprise Fund	\$0	\$0	\$0	\$0	\$0
62	Charter Schools Enterprise Fund	0	0	0	0	0
63	Other Enterprise Fund	0	0	0	0	0
Subtotal, Enterprise Funds		\$0	\$0	\$0	\$0	\$0
Internal Service Funds (66-68)						
66	Warehouse Revolving Fund	\$0	\$0	\$0	\$0	\$0
67	Self-Insurance Fund	0	0	0	0	0
Subtotal, Internal Service Funds		\$0	\$0	\$0	\$0	\$0
Total, Proprietary Funds		\$0	\$0	\$0	\$0	\$0
Source: California Department of Education, School Fiscal Services Division – SACS Unaudited Actual Data.						

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FIDUCIARY FUNDS (71-95)						
Martinez Unified, 2007-08						
Fund	Description	Adjusted July 1 Beginning Balance	Total Revenues	Total Expenditures	Other Financing Sources/Uses	June 30 Ending Balance
Trust Funds (71-75)						
71	Retiree Benefit Fund	\$0	\$0	\$0	\$0	\$0
73	Foundation Private-Purpose Trust Fund	113,393	38,214	19,350	0	132,257
Subtotal, Trust Funds		\$113,393	\$38,214	\$19,350	\$0	\$132,257
Total, Fiduciary Funds		\$113,393	\$38,214	\$19,350	\$0	\$132,257
Source: California Department of Education, School Fiscal Services Division - SACS Unaudited Actual Data.						



MARTINEZ UNIFIED SCHOOL DISTRICT

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

SCHOOL BOARD

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

May 28, 2009

DISTRICT STAFF

Superintendent
Rami Muth

Assistant Superintendent
Personnel Services
Rick Rubino

Chief Business
Official
Liz Robbins

Director
Student Services
Nancy Birenbaum, 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. We have cut the equivalent of 7 classified positions and as of May 28th, over thirty teachers have received final lay off notices. Most of these individuals are residents of Martinez with strong ties to the community. We have been forced to plan on class sizes of 30:1 in our K-3 classrooms beginning in the fall of 2009. 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 Rossi
Principal

John Muir
Elementary
Kathleen Kizzie
Principal

John Swett
Elementary
Marjorie Pamp
Principal

Las Juntas
Elementary
C.J. Cammack
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 six teachers and have class size ratios of 25:1 in grades K - 3 at a cost of \$370,000.

The cost to maintain class size at 20:1 and save the jobs of approximately 15 teachers would be \$503,704. A \$200,000 donation would save the jobs of approximately 3 employees and could be matched with federal stabilization funds to help keep class sizes small.

The cities of Richmond, Pinole and San Francisco have forged such a partnership with their local school districts. These cities did not use redevelopment funding to pay for this support as has

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5/29/2009

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been stated in the past. 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.

- 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.

- 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.
- The City and District could partner to purchase and/or lease supplies and equipment at a better negotiated rate for economy of scale savings.
- 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.
- Use of district facilities (at a reduced rate) for trainings.
- 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.
- 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