

**PORTOLA VALLEY SCHOOL DISTRICT
SPECIAL SESSION OF THE GOVERNING BOARD**

AGENDA #14 – May 24, 2012

**Open Session at 3:00 P.M., Closed Session at 4:00
Annex Building, 4575 Alpine Road, Portola Valley, California**

Board meetings are open to the public. Prior to any final action being taken on any topic or prior to moving to a new topic, members of the public are invited to address the Board on the topic under consideration. All open session meetings of the Governing Board of the Portola Valley School District are electronically recorded. Recordings are available for public review upon request to the Superintendent.

1. ROLL CALL – 3:00 p.m.

Trustee Scott Parker, Trustee Jocelyn Swisher, Trustee Ray Villareal, Trustee Linda Wong and Trustee William Youstra.

2. FLAG SALUTE – 3:01 p.m.

3. OPEN FORUM – 3:01 p.m.

This is the opportunity for members of the public to address the Board on any item described in this notice or any other issue. In accordance with the Brown Act, unless an item has been placed on the published agenda, there shall be no action taken. The Board may: 1) Acknowledge receipt of the information, 2) refer to staff for further study, or 3) refer the matter to the next Board meeting agenda.

4. BUSINESS OF THE ORGANIZATION

A. Budget Development Update – 3:05 p.m.

Fiscal Expert Sandra Lepley, and Interim Chief Business Official Mark Bonnett will provide a five year analysis of Portola Valley School District's budget to actual amounts, which will include the 2011-12 Estimated Actuals and projections for 2012-13. **Information and Discussion**

5. ADJOURN TO CLOSED SESSION – 4:00 p.m.

A. Acting Superintendent's Performance Evaluation - GC § 54957

B. Public Employment: Superintendent - GC § 54954.5(e) and GC § 54957

6. RECONVENE TO OPEN SESSION – 4:30 p.m.

7. REPORT OUT OF CLOSED SESSION – 4:31 p.m.

8. ADJOURN – 4:32 p.m.

PUBLIC RECORDS

GC§ 54957.5 states that public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Governing Board has designated the Portola Valley School District Office at 4575 Alpine Road, for the purpose of making those public records available for inspection. Members of the public may view the documents on the District's internet website, at: www.pvsd.net and clicking on "DISTRICT INFORMATION," and navigating to the Governing Board link.

REQUEST FOR SPECIAL ASSISTANCE

Board meetings are accessible to people with disabilities. Individuals who need special assistance or a disability related modification or accommodation (including auxiliary aids or services) to participate in this meeting; or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Karen Lucian at least five (5) working days before the meeting at (650) 851-1777, ext. 3001, or by email at klucian@pvsd.net. Notification in advance of the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

Portola Valley School District

Meeting date: May 24, 2012

Subject: Budget Development Update

Presented by: Carol Piraino, Sandra Lepley, Mark Bonnett

Classification: Information

Materials attached: Yes

Action

None

Background Information

Fiscal Expert Sandra Lepley, and Interim Chief Business Official Mark Bonnett will provide a five year analysis of Portola Valley School District's budget to actual amounts, which will include the 2011-12 Estimated Actuals and projections for 2012-13. Acting Superintendent Carol Piraino will present a list of current budget reductions as well as additional budget reduction items for the Board's consideration.

Financial Implications

None at this time.

SUMMARY - REVENUES, EXPENDITURES, TRANSFERS AND ENDING BALANCES
 2007-08 Actuals - 2011-12 Est. Actuals as of 5-24-12

	2011-12 Est. Actuals	2010-11 Unaudited Actuals	2009-10 Unaudited Actuals	2008-09 Unaudited Actuals	2007-08 Unaudited Actuals
A. REVENUES	\$ 11,428,931	\$ 11,428,024	\$ 11,475,806	\$ 11,397,706	\$ 11,252,778
B. EXPENDITURES	\$ 13,079,971	\$ 11,738,284	\$ 12,014,217	\$ 11,291,385	\$ 11,268,695
C. REVENUE LESS EXPEND.	\$ (1,651,040)	\$ (310,260)	\$ (538,411)	\$ 106,321	\$ (15,917)
D. OTHER SOURCES & USES					
a. Transfers In	\$ 970,000	\$ 179,138	\$ 333,000	\$ 333,000	\$ 177,112
b. Transfers Out	\$ -	\$ -	\$ -	\$ 414,927	\$ 74,550
E. CHANGE IN FUND BALANCE	\$ (681,040)	\$ (131,122)	\$ (205,411)	\$ 24,394	\$ 86,645
F1. BEGINNING BALANCE					
a. As of July 1 - Unaudited	\$ 184,682	\$ 315,804	\$ 543,567	\$ 574,064	\$ 521,175
b. Audit Adjustments	\$ 1,144,917	\$ -	\$ (22,352)	\$ (54,891)	\$ -
F2. ENDING BALANCE, JUNE 30	\$ 648,559	\$ 184,682	\$ 315,804	\$ 543,567	\$ 607,820
Less Cash W/Fiscal Agent	\$ (1,536,245)				
EST. ENDING BALANCE 11-12	\$ (887,686)				
PERCENT OF EXPENDITURES	-6.79%	1.57%	2.63%	4.81%	5.39%
ENDING BALANCE W/O EFFECT OF TRANSFERS IN AND PVSF ONE-TIME 11-12	\$ (2,182,686)	\$ 5,544	\$ (17,196)	\$ 543,567	\$ 430,708
PERCENT OF EXPENDITURES	-16.69%	0.05%	-0.14%	4.81%	3.82%

Note: 2008-09 - Transfers Out Returned \$411,512 to Fund 17 (Source of \$333,000) so no effects of transfer shown

PORTOLA VALLEY SCHOOL DISTRICT
COMPARISON OF BUDGET TO ACTUALS - 2007-08 - 2011-12 (Est.)

SLL 5-22-12

	OBJECT CODE	2011-12			2010-11			Difference Adopted/ Est. Actuals
		Adopted Budget	2nd Interim Budget	Estimated Actuals	Adopted Budget	2nd Interim Budget	Unaudited Actuals	
A. REVENUES								
Revenue Limit Sources	8010-8099	8,342,625	8,257,769	8,277,786	8,262,313	8,331,681	8,292,254	29,941
Federal Sources	8100-8299	300,769	141,125	141,125	188,695	331,941	316,548	127,853
Other State Sources	8300-8599	200,207	339,589	314,270	355,567	542,511	367,601	12,034
Other Local Sources	8600-8799	2,291,308	2,321,099	2,695,750	2,132,383	2,247,044	2,451,621	319,238
TOTAL REVENUES		11,134,909	11,059,582	11,428,931	10,938,958	11,453,177	11,428,024	489,066
B. EXPENDITURES								
Certificated Salaries	1000-1999	6,052,176	6,189,479	6,223,794	5,821,584	6,042,101	6,129,725	308,141
Classified Salaries	2000-2999	1,638,357	1,692,639	1,741,249	1,565,444	1,663,848	1,691,304	125,860
Employee Benefits	3000-3999	1,954,856	2,022,221	2,259,158	1,881,035	2,130,875	2,056,099	175,064
Books & Supplies	4000-4999	630,086	615,919	595,559	784,831	746,935	801,164	16,333
Svcs & Othr Oper Exp	5000-5999	771,828	541,778	1,332,927	626,107	768,456	825,387	199,280
Capital Outlay	6000-6999	-	-	415,387	-	-	-	-
Other Outgo (excluding Transfers of Indirect/Direct Support Cost)	7100-7299	175,674	331,042	511,897	234,605	234,605	234,605	-
Direct Support/Indirect Costs	7400-7499	-	-	-	-	-	-	-
TOTAL EXPENDITURES		11,222,977	11,393,078	13,079,971	10,913,606	11,586,820	11,738,284	824,678
C. REVENUES LESS EXPENDITURES		(88,068)	(333,496)	(1,651,040)	25,352	(133,643)	(310,260)	(335,612)
D. OTHER SOURCES AND USES								
Interfund Transfers In	8910-8929	88,068	1,133,449	970,000	15,000	170,000	179,138	164,138
Interfund Transfers Out	7610-7629	-	-	-	-	-	-	-
Other Sources	8930-8979	-	-	-	-	-	-	-
Other Uses	7630-7699	-	-	-	-	-	-	-
Contribution to Rest. Programs	8980-8999	88,068	1,133,449	970,000	15,000	170,000	179,138	164,138
TOTAL OTHER SOURCES AND USES		88,068	1,133,449	970,000	15,000	170,000	179,138	164,138
E. CHANGE IN FUND BALANCE		-	799,953	(681,040)	40,352	36,357	(131,122)	(171,474)
F1. BEGINNING BALANCE								
a. As of July 1 - Unaudited	9791	184,682	184,682	184,682	315,804	315,804	315,804	
b. Audit Adj/Restatements	9793-9795	-	1,144,917	1,144,917	-	-	-	
F2. ENDING BALANCE, June 30		184,682	2,129,552	648,559	356,156	352,161	184,682	
Less Deposit w/ Fiscal Agent for Solar Project		-	-	(1,536,245)	-	-	-	
EST. ENDING BALANCE, JUNE 30		184,682	2,129,552	648,559	356,156	352,161	184,682	

**PORTOLA VALLEY SCHOOL DISTRICT
COMPARISON OF BUDGET TO ACTUALS - 2007-08 - 2011-12 (Est.)**

SLL 5-22-12

OBJECT CODES	2009-10				2008-09				2007-08				Difference Adopted/ Est. Actuals
	Adopted Budget	2nd Interim Budget	Unaudited Actuals	Difference Adopted/ Est. Actuals	Adopted Budget	2nd Interim Budget	Unaudited Actuals	Difference Adopted/ Est. Actuals	Adopted Budget	2nd Interim Budget	Unaudited Actuals	Difference Adopted/ Est. Actuals	
	Revenue												
8010-8099	8,190,638	8,260,508	8,214,273	23,635	7,675,744	7,752,110	7,882,472	206,728	7,624,863	7,602,954	7,574,445	(50,418)	
8100-8299	265,915	272,683	282,427	16,512	167,022	165,211	315,585	148,563	171,502	167,534	183,141	11,639	
8300-8599	750,546	686,237	549,815	(200,731)	667,735	669,849	693,760	26,025	830,515	706,717	715,950	(114,565)	
8600-8799	2,382,177	2,357,409	2,429,291	47,114	2,606,725	2,460,964	2,505,889	(100,836)	2,167,086	2,791,298	2,779,242	612,156	
	11,589,276	11,576,837	11,475,806	(113,470)	11,117,226	11,048,134	11,397,706	280,480	10,793,966	11,268,503	11,252,778	458,812	
Expenditures													
1000-1999	5,663,411	6,217,379	6,287,519	624,108	5,779,134	5,716,413	5,816,905	37,771	5,394,428	5,641,732	5,683,100	288,672	
2000-2999	1,653,443	1,738,479	1,760,175	106,732	1,720,705	1,812,993	1,862,800	142,095	1,705,984	1,882,946	1,915,051	209,067	
3000-3999	1,860,135	1,877,921	1,923,993	63,858	1,759,001	2,172,124	1,953,040	194,039	1,638,138	2,125,291	2,042,272	404,134	
4000-4999	1,264,795	1,365,541	1,304,270	39,475	1,179,751	861,576	723,434	(456,317)	1,021,136	881,965	870,223	(150,913)	
5000-5999	554,241	596,798	738,260	184,019	754,029	792,589	935,206	181,177	956,116	819,104	758,049	(198,067)	
6000-6999	-	-	-	-	-	-	-	-	-	-	-	-	
7100-7299	-	-	-	-	-	-	-	-	-	-	-	-	
7400-7499	-	-	-	-	-	-	-	-	-	-	-	-	
7300-7399	-	-	-	-	-	-	-	-	-	-	-	-	
	10,996,025	11,816,118	12,014,217	1,018,192	11,192,620	11,355,695	11,291,385	98,765	10,715,802	11,351,038	11,268,695	552,893	
Rev. Less Exp.	593,251	(239,281)	(538,411)	(1,131,662)	(75,394)	(307,561)	106,321	181,715	78,164	(82,535)	(15,917)	(94,081)	
Sources/ Uses													
8910-8929	-	244,313	333,000	333,000	363,000	363,000	333,000	(30,000)	45,000	177,112	143,356	98,356	
7610-7629	-	-	-	-	44,640	2,795	414,927	370,287	71,140	47,810	74,550	3,410	
8930-8979	-	-	-	-	-	-	-	-	-	-	-	-	
7630-7699	-	-	-	-	-	-	-	-	-	-	-	-	
8980-8999	-	244,313	333,000	333,000	318,360	360,205	(81,927)	(400,287)	(26,140)	129,302	68,806	94,946	
Change/Bal.	593,251	5,032	(205,411)	(798,662)	242,966	52,644	24,394	(218,572)	52,024	46,767	52,869	865	
Beginning Bal. Audit Adj. Ending Bal.	543,567	543,567	543,567	543,567	574,064	574,064	574,064	574,064	521,175	521,175	521,175	521,175	
	-	(22,352)	(22,352)	(54,891)	-	(54,891)	(54,891)	(54,891)	-	-	-	-	
	1,136,818	526,247	315,804	315,804	817,030	571,817	543,567	573,199	573,199	567,942	574,064	574,064	

SAN MATEO COUNTY OFFICE OF EDUCATION

FISCAL YEAR REPORT

Cash Flow Worksheet

2011-2012

Based on Information and Assumptions as of 5/23/12

Account	July	August	September	October	November	December	January	February	March	April	May	June	Totals
A. BEGINNING CASH	196,012.99	(399,443.96)	(842,247.77)	(1,961,844.53)	(352,974.70)	(760,311.64)	1,970,471.26	(236,001.71)	(1,067,611.96)	(1,703,366.94)	(1,720,674.74)	(1,094,868.74)	196,012.99
B. RECEIPTS													
Revenue Limit Sources	-	0.93	-	403,262.80	373,030.00	3,297,267.46	317,393.69	1.42	414,409.47	2,272,706.89	-	932,061.00	8,010,134.35
Property Taxes	8,443.00	15,935.00	41,511.00	(21,228.00)	-	-	46,110.00	1,603.00	-	7,947.00	-	17,314.00	136,302.00
Principal Apportionment	-	31,038.00	-	(31,038.00)	-	131,352.00	-	-	-	-	-	34,641.00	131,352.00
Miscellaneous Funds	-	3,736.00	10,272.00	(19,159.00)	31,109.59	(22,126.89)	4,636.52	59,942.22	39,072.63	-	-	62,050.00	141,124.07
Federal Revenue	31,032.39	2,641.00	68,617.00	(28,423.39)	26,287.75	2,833.00	21,501.20	97,533.20	-	30,197.76	-	-	314,269.91
Other State Revenue	191,412.91	67,489.29	78,614.99	(170,377.74)	117,600.44	512,162.93	99,474.75	147,273.42	176,937.26	371,654.59	650,748.00	503,258.00	2,695,748.84
Other Local Revenue	-	-	-	-	-	-	-	-	-	-	970,000.00	-	970,000.00
Interfund Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	3,058,948.19	3,099.44	12,693.86	3,139,506.23	12,235.31	12,011.66	1,246,340.00	65,381.54	64,344.18	54,819.15	-	1,000,000.00	8,671,379.56
Other Receipts/Non-Revenue *	3,289,836.49	123,939.66	211,709.54	3,272,542.90	560,263.09	3,933,500.16	1,737,456.16	370,734.80	694,763.54	2,687,335.39	1,638,915.00	2,549,324.00	21,070,310.73
TOTAL RECEIPTS	3,058,948.19	3,099.44	12,693.86	3,139,506.23	12,235.31	12,011.66	1,246,340.00	65,381.54	64,344.18	54,819.15	-	1,000,000.00	8,671,379.56
C. DISBURSEMENTS													
Certificated Salaries	120,610.17	90,746.64	622,739.75	609,335.44	597,731.15	601,002.76	602,230.26	607,938.19	596,369.19	602,430.89	588,830.00	588,831.00	6,223,795.44
Classified Salaries	75,366.18	99,543.84	156,642.19	159,711.43	157,502.83	155,542.31	149,901.13	160,304.29	148,882.12	151,182.80	163,335.00	163,335.00	1,741,249.12
Employee Benefits	213,131.93	149,733.33	243,670.10	236,005.90	90,771.29	297,431.22	188,224.66	321,096.46	236,312.43	236,802.91	-	51,778.00	2,259,158.23
Books, Supplies and Services	152,541.63	220,454.94	293,827.63	139,473.79	117,051.78	146,134.08	100,025.10	99,062.30	334,115.76	83,879.94	139,960.00	99,960.00	1,928,486.95
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	415,396.68	415,396.68
Other Outgo	155,454.86	12,264.72	14,426.63	10,579.69	4,542.98	31,664.48	15,311.75	14,437.31	11,697.55	20,856.95	170,994.00	99,674.00	511,894.92
Interfund Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Financing Sources	3,094,212.43	-	-	19,865.18	-	-	3,061,576.81	-	3,141.47	1,621,043.20	-	-	7,799,839.09
Other Disbursements/Non Expenditures **	3,811,517.20	566,743.47	1,331,306.30	1,174,971.43	967,600.03	1,233,774.85	4,117,269.71	1,197,838.55	1,330,518.52	2,716,196.69	1,013,109.00	1,418,964.68	20,879,810.43
TOTAL DISBURSEMENTS	3,811,517.20	566,743.47	1,331,306.30	1,174,971.43	967,600.03	1,233,774.85	4,117,269.71	1,197,838.55	1,330,518.52	2,716,196.69	1,013,109.00	1,418,964.68	20,879,810.43
D. PRIOR YEAR TRANSACTIONS													
Receivables 9210, 9290, and 9310	-	-	-	348,422.68	-	31,057.59	156,338.75	-	-	-	11,563.50	-	547,382.52
Payables 9510, 9590, 9610, and 9620	75,776.24	-	-	837,124.32	-	(17,001.83)	(17,001.83)	4,506.50	-	-	-	-	900,405.23
TOTAL PRIOR YEAR TRANSACTIONS	(597,456.95)	(442,883.81)	(1,119,596.76)	1,608,869.83	(407,136.94)	2,730,782.90	(2,206,472.97)	(831,610.25)	(635,754.98)	(17,387.80)	625,806.00	1,130,359.32	(162,522.41)
E. NET INCREASE/DECREASE	(399,443.96)	(947,247.77)	(1,961,844.53)	(352,974.70)	(760,311.64)	1,970,471.26	(236,001.71)	(1,067,611.96)	(1,703,366.94)	(1,720,674.74)	(1,094,868.74)	35,490.58	35,490.58
F. ENDING CASH (A + E)													
G. ENDING CASH, PLUS ACCRUALS													

* This number includes activity in Objects 8880-8999 and the CREDITS to Objects 9000-9699, plus 9793 audit adjustments and 9795 restatements, excluding 9110 and the Prior Year Receivables and Payables included in Section D.

** This number includes activity in Objects 7700-7999 and the DEBITS to Objects 9000-9699, plus 9793 audit adjustments and 9795 restatements, excluding 9110 and the Prior Year Receivables and Payables included in Section D.

Budget Reductions Previously Discussed with Board

1. Consolidate SST coordination role into the Counselor position at Ormondale School.	\$ 2,688	This duty is easily absorbed by the Counselor.
2. Eliminate stipends for Corte Madera Principal's advisory team.	\$ 19,600	The Principal's advisory team was formed to assist with the CMS principal transition. If PAT continues, it can be funded through CMS site operations budget.
3. Consolidate evening restroom cleaner and overnight security guard positions.	\$ 26,342	Combining these positions is manageable.
4. Eliminate stipends for Technology TOSA (teacher on special assignment) positions.	\$ 22,400	Teacher proficiency with technology tools has increased significantly. Administration is exploring ways to support teachers without additional cost to the District.
5. Reduce facility maintenance budget by 25%.	\$ 25,000	The proposed \$75,000 maintenance budget for the 12-13 year should not compromise the current excellent condition of our buildings and grounds nor have a negative impact on student safety. Staff recommend not extending this cut beyond 2012-13 school year.
6. Reduce all supply budgets by 15% including school operations budgets.	\$ 58,291	This reduction is manageable at this time and preferred over reductions that would more directly impact the classroom.
7. Eliminate .75 Special Education Resource Specialist position due to declining caseload. Will be accomplished through attrition.	\$ 75,000	The District is able to consolidate positions within the Special Education program without compromising services to students.
8. Reduce one Corte Madera Spanish Teacher FTE from 1.0 to .50 FTE to align with current demand for Spanish instruction.	\$ 60,480	This reduction will align staffing with need.
9. Reduce science personnel hired on a temporary basis with existing tenured Science personnel.	\$ 28,000	The District has an excess of tenured or tenure-track teachers who possess a credential which authorizes them to teach science. This action will not result in a reduction in Science instruction to students district-wide.
10. Reduce contracted technology network consultant by 50%.	\$ 20,000	This reduction is manageable at this time and preferred over reductions that would more directly impact the classroom.
11. Reduce contracted technology curriculum consultant by 50%.	\$ 18,000	District staff have the necessary proficiency to assume many of the functions performed by this consultant.
12. Eliminate general education summer school program.	\$ 24,640	This impacts a relatively small number of District students. District will explore opportunities for these students to participate in summer program in neighboring districts. This does not impact special education summer programs.
13. Eliminate Summer School Transportation.	\$ 15,364	This is not needed if we eliminate general education summer school.
14. Reduce Ormondale Spanish teacher FTE from 1.0 to .50 FTE to align with current provision of one hour of Spanish instruction to all students each week.	\$ 49,441	This position was originally intended to serve students in Kindergarten through 5th grade. 15 hours of instructor time is needed to provide each class with one hour of Spanish instruction. This is .50 FTE.
15. Staff for grades 4 & 5 with 8 teachers instead of 9. Provide additional para-educator time to support classes.	\$ 80,000	Updated: Our current enrollment figures indicate 101 students in 4th grade and 73 students in 5th grade. Recommend 5 sections of 4th grade with average class size of 20 and 3 sections of 5th grade with average class size of 24.
16. Revise allowance for summer teacher planning time from \$30,106 to \$13,965 with priority given to 7/8 program teachers.	\$ 16,141	This amount, \$13,96.00, will provide 280 hours of summer teacher planning time.
17. Reduction of 6.83 FTE para-educators.	\$ 205,576	Action taken

Additional Reductions Recommended

18. Eliminate K-5 Spanish	\$ 49,441	District would work with community and ABC language to offer after school fee-based language program.
19. Eliminate one section of 6th Grade	\$ 100,000	Based on current enrollment projections, with three sections, average class size in 6th grade wil be 23.
20. Reduce district office staff	\$ 30,000	Acting Superintendent will present a district office restructuring proposal to the Board in June
21. Restructure 8th Grade trip to eliminate financial assistance need.	\$ 25,000	District will work with community representatives to eliminate financial assistance need for 8th grade trip by either restructuring trip or identifying alternative funding source.
22. Incorporate the cost of teacher stipends into the cost of the 8th grade overnight field trip.	\$ 12,359	Actual cost of the trip will be reflected in fees charged to parents.
23. Subject to collective bargainintg: PVTA, CEPVA, PPS, Confidential, administrative salary freeze	\$ 110,032	Requires collective bargaining
24. Subject to collective bargaining: Eliminate summer technology institute for teachers.	\$ 28,000	Requires collective bargaining
25. Subject to collective bargaining: Eliminate up to 10 school days.	\$ 300,000	Requires collective bargaining