

CHICO UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Special Session

Wednesday, October 21, 2009

6:00 p.m.

**Chico City Council Chambers
421 Main Street, Chico, CA 95928**

AGENDA

1. CALL TO ORDER

2. DISCUSSION/ACTION CALENDAR

1. GENERAL

6:05 pm

1. Information: Discussion with Fiscal Crisis Management Assistance Team
(Jan Combes) (120 minutes)

8:05 pm

3. CLOSED SESSION

1. Conference with Legal Counsel

Anticipated Litigation
Significant exposure to litigation pursuant
to Government Code § 54956.9(b)
Two cases

Attending:

Kelly Staley, Superintendent
Bob Feaster, Assistant Superintendent
Jan Combes, Assistant Superintendent
Mary Leary, Director
Scott Jones, Director
Dave Scott, Director
John Yeh, Attorney at Law

2. Update on Labor Negotiations

Employee Organizations:

Representatives:

CUTA

CSEA, Chapter #110

Kelly Staley, Superintendent

Bob Feaster, Assistant Superintendent

Jan Combes, Assistant Superintendent

3. Public Employee Performance Evaluation

Per Government Code §54957

Title: Superintendent

4. RECONVENE TO REGULAR SESSION

1. Call to Order
2. Report Action Taken in Closed Session

5. ADJOURNMENT

Jann Reed, President
Board of Education
Chico Unified School District

The Chico Unified School District Board of Education welcomes you to this meeting and invites you to participate in matters before the Board.

INFORMATION, PROCEDURES AND CONDUCT OF CUSD BOARD OF EDUCATION MEETINGS

No disturbance or willful interruption of any Board meeting shall be permitted. Persistence by an individual or group shall be grounds for the Chair to terminate the privilege of addressing the meeting. The Board may remove disruptive individuals and order the room cleared, if necessary. In this case, further Board proceedings shall concern only matters appearing on the agenda.

CONSENT CALENDAR

The items listed on the Consent Calendar may be approved by the Board in one action. However, in accordance with law, the public has a right to comment on any consent item. At the request of a member of the Board, any item on the consent agenda shall be removed and given individual consideration for action as a regular agenda item. Board Bylaw 9322.

STUDENT PARTICIPATION

At the discretion of the Board President, student speakers may be given priority to address items to the Board.

PUBLIC PARTICIPATION FOR ITEMS ON THE AGENDA (Regular and Special Board Meetings)

The Board shall give members of the public an opportunity to address the Board either before or during the Board's consideration of each item of business to be discussed at regular or special meetings.

- Speakers will identify themselves and will direct their comments to the Board.
- Each speaker will be allowed five (5) minutes to address the Board.
- In case of numerous requests to address the same item, the Board may select representatives to speak on each side of the item.

PUBLIC PARTICIPATION FOR ITEMS NOT ON THE AGENDA (Regular Board Meetings only)

The Board shall not take action or enter into discussion or dialog on any matter that is not on the meeting agenda, except as allowed by law. (Government Code 54954.2) Items brought forth at this part of the meeting may be referred to the Superintendent or designee or the Board may take the item under advisement. The matter may be placed on the agenda of a subsequent meeting for discussion or action by the Board.

- Public comments for items not on the agenda will be limited to one hour in duration.
- Initially, each general topic will be limited to 3 speakers.
- Speakers will identify themselves and will direct their comments to the Chair.
- Each speaker will be given five (5) minutes to address the Board.
- Once 2 speakers have shared a similar viewpoint, the Chair will ask for a differing viewpoint. If no other viewpoint is represented then a 3rd speaker may present.
- Speakers will not be allowed to yield their time to other speakers.
- After all topics have been heard, the remainder of the hour may be used by additional speakers to address a previously raised issue.

WRITTEN MATERIAL:

The Board is unable to read written materials presented during the meeting. If any person intends to appear before the Board with written materials, they should be delivered to the Superintendent's Office or delivered via e-mail to the Board and Superintendent 10 days prior to the meeting date.

COPIES OF AGENDAS AND RELATED MATERIALS:

- Available at the meeting
- Available on the website: www.chicousd.org
- Available for inspection in the Superintendent's Office prior to the meeting
- Copies may be obtained after payment of applicable copy fees

AMERICANS WITH DISABILITIES ACT

Please contact the Superintendent's Office at 891-3000 ex. 149 should you require a disability-related modification or accommodation in order to participate in the meeting. This request should be received at least 48 hours prior to the meeting in order to accommodate your request.

Pursuant to Government Code 54957.5, If documents are distributed to board members concerning an agenda item within 72 hours of a regular board meeting, at the same time the documents will be made available for public inspection at the Chico Unified School District, Superintendent's Office located at 1163 East Seventh Street, Chico, CA 95928 or may be viewed on the website: www.chicousd.org.

PROPOSED AGENDA ITEM: Discussion with Fiscal Crisis Management Assistance Team

Prepared by: Jan Combes, Assistant Superintendent, Business Services

☐ Consent

Board Date October 21, 2009

☒ Information/Discussion

☐ Discussion/Action

Background Information:

In July the 2009-10 budget adopted by the California State Legislature and signed into place by Governor Schwarzenegger that reduced school funding by almost 19%. In addition the state deferred payments to schools in order to avoid a state cash crisis. With the California economy continuing to deteriorate, revenue expectations for 2009-10 fall short of projections and additional mid-year cuts in January, 2010 are expected.

Against this backdrop, Chico USD is required to adopt a budget that meets its expenses for the current and subsequent two fiscal years, through the end of 2011-12.

Cash projections for 2009-10 show that the district has sufficient cash in the bank to make payroll for the current school year but there is the very real possibility that the district will run out of cash early in 2010-11. Inter-fund borrowing is expected to be insufficient to cover the \$8 million monthly payroll expenses and a state loan would be needed quickly. Other entities that we legally could borrow from, such as the Butte County Office of Education and the Butte County Treasurer, have insufficient resources to help a district of our size.

The good news is that the district is still several months out from needing a loan and still has time to enact changes that would prevent the crisis. The bad news is that the application process is lengthy and the legislative session that would need to consider providing a state loan, if needed, for Chico USD in 2010-11, opens in January.

For these reasons, the district has invited Joel Montero, from Fiscal Crisis Management Assistance Team, to come talk to the Board about the process for a state loan and what steps will need to be taken over the course of the next few months. This will be an opportunity for the Board and the public to ask questions about the process of state receivership.

A meeting with the districts Leadership Team is also taking place on the day of Mr. Montero's visit.

Financial Implications

Included above.