

3 Percent Salary Schedule Increase Is Retroactive to July 1

There was no raise in salary in the 2007-2008 school year. As we all know, there were many, many cuts in programs and personnel. In recognition of the last year's fiscal uncertainty, the 2008-2009 raise was based on a formula which required the District to improve the salary schedule prior to restoring any other program. The formula was ratified by the Association and the Board of Education in late March 2008.

- The formula resulted in a 3 percent increase to the salary schedules and situational rates retroactive to July 1.
- The raise will be included in the December 1 warrants.
- The retroactive payments will be received no later than February 1.
- The 3 percent does not apply to anniversary increments nor stipends.
- The high school extended day salary schedules receive adjustments every two years based on an existing contractual formula.
- The Inservice Daily Rate was raised to \$190 beginning July 1, 2008.

State and District Prepare for Deeper Budget Cuts!

Superintendent Edward Velasquez has announced that the District will be required to cut the 2009-2010 general fund budget \$4-5 million. The District is required to submit a balanced budget to the County in the spring in order to maintain autonomy from additional governmental controls.

Mid Year Cuts May Become a Reality

The Education Coalition has informed members that due to the irresponsible state budget passed only one month ago, which is falling billions short of projected revenues, schools will likely see another \$2-4 billion or more in cuts this month.

The Education Coalition position remains steadfast and clear: any further cuts to education in addition to the recent \$3 billion slashed from this year's budget would be a catastrophe for California's students.

Already ranking 46th out of 50 states in the nation in per-pupil spending, California's schools were forced this year to accept \$500 million in cuts in the middle of the school year and \$3 billion in additional cuts in the state budget.

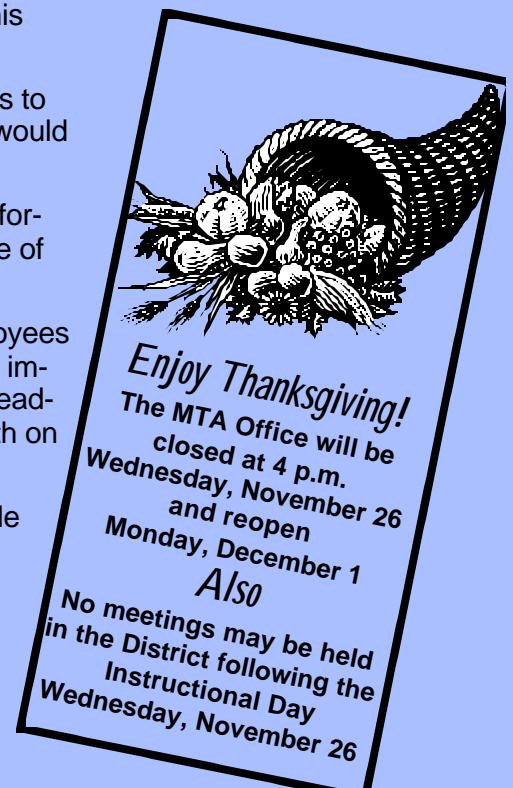
For the entire year of 2008, parents, teachers, board members, school employees and other educators held events across the state to highlight the devastating impact of budget cuts on California's students. The Education Coalition asked leaders to stop making cuts to education and to provide a real budget solution with on-going revenues that didn't rely on gimmicks.

The Education Coalition continues to urge our state's leaders to provide stable and long-term funding for our schools so that students can meet the high expectations the state has set for them. To that end, further cuts are unacceptable.

The Education Coalition represents more than 1.7 million parents, teachers, school board members, school employees and administrators.



District Office TOSAs Brenda Cuevas, Rosemary Garcia, and Aida Hinojosa participated in the PAR Joint Panel and BTSA Induction meetings at the MTA office Wednesday, November 5.



REVENUE AND EXPENSE QUARTERLY REPORT

Revenues

The month of August 2008	\$21,974,025.00
The month of August 2007	\$20,077,234.00
Year to date this year	\$24,064,632.00
Year to date last year.....	\$32,498,485.00

Expenses

The month of August 2008	\$7,346,754.00
The month of August 2007	\$7,440,067.00
Year to date this year	\$10,466,064.00
Year to date last year.....	\$10,271,652.00

TOPICS OF INTEREST THIS QUARTER

403(b) – Tax Sheltered Annuities (TSA): Fall 2007 the district sent a letter to teachers regarding TSA deductions. The changes include regulations of any 403(b) deduction after September 24, 2007, which needs to be from vendors that have signed the “Third Party Agreement” (TPA). The deadline for the form to be submitted by the vendor is January 1, 2009 in order to avoid any suspension of your tax deferred funds. Go to the district website, Business Services under Finance to find the link that lists the approved financial institutes that have signed the TPA. The change allows the IRS to monitor the maximum amount that is submitted to your 403B account.

Quality Education Investment Act (QEIA) – SB113 was awarded to five schools (BGH, BGI, LMI, SUI, and WGE) in MUSD. The 2007-08 is the planning year to review the requirements and plan implementation procedures for the five schools. There are five requirements for the district to complete in three years – 2007 to 2010: 1. Class size reduction (CSR) 25:1; 2. Counselor to student ratio ideally 300:1; 3. Utilize highly qualified teacher to staff school; 4. Meet the average teacher experience index; 5. QEIA sites must meet their API growth target average for the next three years and annually thereafter.

Facilities - Status report of construction projects: At MHS, the two story classroom building and baseball field are completed, and the football field is near completion. QEIA facility updates: At BGI, a number of old portable classrooms are removed and modernization of shop classes occurring. SUI and LMI - re-configuration of the C-Buildings that will provide additional classrooms at the school site. At BGH, a number of classrooms and offices are added for the implementations of QEIA CSR and counselor increase. WGE facilities will include reconfiguration of the second story of the main building and providing additional modular classrooms and a restroom. The district has lost its eligibility for approximately \$73 million of state matched funds for construction due to declining enrollment. However, the district did receive \$22.4 million of Modernization and Overcrowding Relief Grant 2007-08.

Bond Measure M: The second series of Bond Measure M sold for \$35 million, with a favorable market condition and an enhanced credit rating, the total debt service is reduced by approximately \$1.3 million.

Fiscal Report: During the School Finance and Management Conference, September 2008, the possibilities of midyear cuts were a topic of concern. The reply from School Services of California, Inc. was, “The economics this year are worse than last year, so we think that it is entirely possible that the Governor will propose both mid-year cuts for 2008-09 and a suspension of Proposition 98 for 2009-10.” Another complicated factor is a special session that was called regarding the budget, but it needs to be completed by November 30, 2008, the last day termed-out members are allowed to vote.



November 18, 2008

Revenue & Expense

mta

Report

Committee was created in February 1995 to cooperatively examine the District's finances. The Committee is comprised of members each from MTA, CSEA, and MUSD.

MTA

Lorraine Richards (MHS)

Ryan Rice (SHS)

Dorothy Chu (CCE)

Julian De La Torre, alt. (EA)

Kathy Schlutz (ex-officio)