



December 18, 2018

Mr. Jorge Aguilar
Sacramento City Unified School District
5735 47th Avenue
Sacramento CA 95824

Re: Confirming Meeting on Wednesday, January 9, 2019 to Discuss SCTA's Students First Rebalancing Proposal

Dear Mr. Aguilar:

Please accept this letter as confirmation of our meeting on Wednesday, January 9, 2019 at 4 p.m. at the District finally to discuss SCTA's Students First Rebalancing Proposal. As you know, SCTA first made a proposal to fix the budget on September 13, 2018, which to date the District has refused to discuss with us.

In light of the recent Fiscal Health Risk Analysis provided by the California Fiscal Crisis Management Assistance Team (FCMAT) which the Sacramento Bee described as having "blasted" the District for its "budget mismanagement," we appreciate that the District is finally prepared to meet with SCTA to discuss our proposed solutions to the budget fiasco.

Our Student First Rebalancing Proposal includes several components:

1. **Curbing bureaucratic bloat:** Since 2013-14, the number of administrators in the District has increased from 166 to 267 currently, an increase of 101 full-time equivalents or 61%. We are proposing the number of administrators be reduced to 190, the number the District employed in 2015 when enrollment was higher than it is today.
2. **Providing reasonable compensation to District administrators:** We are proposing that no district administrator be paid higher than the governor of California.
3. **Termination of Administrative Vacation Payouts:** According CBO John Quinto, the District paid out \$6 million in vacation payouts to top administrators with at least two administrators receiving buyouts that exceed \$135,000 in addition to their annual salaries. We are proposing that these buyouts be suspended.
4. **Redirection of Health Plan Dollars:** In November/December 2017, the District and SCTA reached an enforceable, signed agreement (Article 13.1.1 and the "Framework Agreement") in which the parties agreed to work together to achieve health plan savings that would be redirected to the classroom by reducing class sizes and other improvements to staffing levels of the professional support staff. For months, SCTA has been trying to get your administration to honor its agreement. Our budget proposal incorporates that

agreement. As an aside, we understand from CECHR that rates for SISC and CVT will not be available until March 2019, making a meeting to discuss just health plan changes on December 20th premature, although we will be prepared to discuss the implementation of Article 13.1.1 and the "Framework Agreement" as part of our overall proposal when we meet on January 9th.

5. **Further Health Plan Savings:** SCTA has also identified \$12.5 million that the District currently allocates to health care for retirees that could immediately be redirected to the classroom.
6. **Other Savings:** SCTA has further identified millions of dollars that could be saved on outside attorneys, third-party service contracts and other items that could be used to fix the District's budget fiasco.

Just as importantly, the SCTA Students First Rebalancing Proposal makes specific recommendations regarding re-prioritizing the budget that will provide a higher quality learning environment for students, while further addressing budgetary concerns. For example, the FCMAT audit found (p. 12) that the District's general fund contributions to special education programs (and routine maintenance) increased from \$62,581,129 in 2015 to a projected \$104,000,050 in 2020-21 while (p. 23) the district has an identification rate [for special education] of 14.5%, while the statewide average identification rate is 11.5% and the countywide identification rate is 12.3%." As we note in our proposal, "by implementing a robust intervention program, students get the services they need, while the District resources are used where they are appropriate and needed," that is, properly rebalanced.

It is our hope that the District is finally prepared to have a meaningful discussion with the Association regarding our solutions to the budget fiasco.

To further enhance the discussion, we would ask that the District link to our Students First Budget Proposal in a email Budget Update to the community on or before December 21, 2019, with a post on the District's website to allow the broader Sac City community to weigh in our proposal.

We hope that you will be able to join us for this important budget discussion when we meet on January 9th to discuss real solutions to the District's budget fiasco.

Sincerely,



David Fisher
President

Cc: SCTA board of directors