



On The Board

The Salinas Valley Federation of Teachers

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Board Highlights from APRIL 2015

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Brought Some Homies...

April 28th's Board meeting was bittersweet. It was supposed to be a night dedicated to praise and congratulatory remarks, and indeed there were. However, after the rounds of applause ended, the evening was capped by the thunderous presence of our Union and members from throughout the District. SVFT President Steve McDougall told the Board he'd "brought some friends." Just when you thought negotiations were a foregone conclusion...BAAM! It happened.



What happened, you say? Well, it's complicated. Or is it? Like all relationships, they ebb and flow and right now, it's ebbin' man. Being the good steward our Board has been, we have amassed not a 4-6% reserve, but a startling 29% reserve instead. Hold on a minute JJ, that's a good thing, right? Ok, roll with me here....THERE'S NOTHING WRONG WITH THAT!!! It's



great there is a reserve, but it is so MASSIVE and underutilized, it's "raising eyebrows" throughout Districts across the state. So much so, it's got Dwayne "The Rock" Johnson askin' questions! And we

add insult to injury when Districts are now facing an 11% contribution increase in STRS that the state has handed down (or is it UP?). School Districts like ours throughout the state are mandated to maintain a 3-6% reserve in their general fund for emergencies, you know, just in case. But ours is a whopping 29%! That's like telling a Polar Bear to put on an extra layer before going outside...just in case. 'It don't need no extra layer!' It's looking sunny!! Things are looking up! It's



getting warm in the room... and any other metaphor that fits. Short story long, the District wants teachers to foot the bill. Insert teacher outrage here

_____ . The fact is, the absence of a significant raise for ALL parties (classified and non-classified) coupled with rising healthcare costs, is persistently making it hard (as it always has), to keep up! Speaking of bloodletting, you'll notice that the cost of living isn't 'letting' up and no, I'm not going to give you any figures. I'll let your wallet do that for you. McDougall's message was stern, measured, and matter-of-factual. The theme was 'Mindset', and he asked the District what its mindset was in contrast to the mindset of the SVFT. He illustrated the District's ability to freely transfer funds into unrestricted that can later "be deemed untouchable"...(you mean like MC Hammer!?....coool). Click [here](#). He added the fact that other districts



throughout the state thought our reserve to be amazing, while others categorized it as quite simply, grotesque. “We thank you for your stewardship, but administration has asked us to cover retirement contributions... that’s amazing, outrageous! It is silly, why are they asking...and why was there a mysterious transfer of four million dollars.” It’s getting good isn’t it!? He alluded to instances where SVFT has always been there to support the District with protecting categorical funding



and assisting with Bond measure campaigning, to name a couple. Teachers from all over their District had their say. Kyle Samuels, for

“It’s hard to find teachers. Los Angeles increased teacher pay 10% in a time of declining enrollment...money is not an issue right now.”

SVFT President- Steve McDougall

example, likened our District hiring of teachers to Tokio Drift, “you buy these cars stock” and expect them to be customized at no expense. And no one likes being compared to a car more than me, a beat up 1981 Gremlin. Souped up, of course. ☺ But, he added that teachers were held hostage during the last negotiations and that in fact, we’re paying for 1.3% of our own raises! Really?



“What ‘chu talkin’ about Willis?!” Incoming SVFT President Kati Bassler stated the District had a healthy reserve and should pay for the increase in STRS contribution, if it seeks to retain highly qualified teachers. Robin Putney, of ESMS said that many teachers not only looked “forward to salary

reductions”, but would be forced to take on second jobs. Or, like me, three. Nancy Oliver from WMS had this to say, “It’s not fair they pass those costs on to us. I don’t know any teacher that has a 29% reserve in the bank.” Who can argue with that? The only ‘reserve’ most teachers have is the one lying in their gas tanks! Finally, Albert Mazzuca from AHS went as far as to blame administration for passing the cost onto teachers simply because they’re not happy with the formula they, along with former Superintendent Jim Earhardt agreed to in 2010. So, if money is not an issue, then what’s the problem? Read on.



Symptom or Cause?

I’m not sure what the problem is doctor, but I can tell ya’ where it hurts. Shortly after comments regarding the STRS contribution



“TELL ME IF THIS HURTS.”

increase were made, Ana Aguillon reviewed a cost estimate for all pending construction proposals. Just to bring you up to speed, we were approved for

a \$128 Million bond, right? Well, according to Aguillon, the District will need approximately \$141 million, if it wants to address all the necessary construction and upgrades our schools need. That’s a \$13 million dollar shortfall and hold on to your hats, ‘cuz I’m about to throw out a spoiler. Trustee Patty Padilla-Salsberg asked Aguillon if the extra \$13 million needed would have to come out of the General Fund.



Her answer? Yes, it would. This would be a good time to have an Economics lesson on Needs vs. Wants. Hence, it seems the issue at hand is whether or not the Board is considering dipping into the reserve pot to complete all of the proposed needs (or will some now be deemed wants?). The question is, should they? I mean just because you can, doesn't mean you should. Just look at this guy on the right. What is the primary purpose of the General Fund anyhow? McDougall posed a casual reminder in the form of a question, "When has the SVFT not helped the District? Never. The Federation's mindset has always been there to help....The Administration's mindset is failing." Or is it their memory? Mindset indeed.



Riding Into The Sunset

After 38 years of dedicated service as director of the Sunrise House in Salinas, Jim Rear is retiring. Tim Vanoli took a moment to personally honor Mr. Rear's achievements and had this to say: "He's a fixture in gymnasiums up and down the state...and a fixture for Sunrise House. We'll miss his knowledge, his help...he saved lots of families." Jim Rear responded in kind by stating that being Director of Sunrise House had "helped me personally to be a better person and a better coach. I changed a lot over 24 years. I'm thankful for the support sunrise has had for 40plus years." He went on to thank our Board because as he put it, without it, Sunrise House wouldn't exist. Rear introduced the next Director of Sunrise House, Veronica Magaña. He said Magaña



was "not afraid of hard work, and been with us for 6 years." Magaña addressed the Board by stating simply that she was excited about her new endeavor. She also took a minute to introduce the ADAPT counselors and presidents from throughout the District. Trustee Kathryn Ramirez said she appreciated "all the work you've done for the community. I'm confident Veronica is going to have a strong mentor. We need you to stick around." Trustee Tabera congratulated Rear on hiring a "highly competent Latina...the demographics have changed and you changed with it." Trustee Evamarie Martinez thanked him from growing ADAPT to the level it has achieved thus far and Lila Cann praised him for being the legend he is. We wish him well in the calm and peaceful of waters of retirement. As for the rest of us, back to work.

In Memoriam



On May 11th, the Salinas Union High School District Board lost beloved Trustee Cheryl



Larison in her battle with cancer. It's hard to believe we've lost two Board members in the same year, and the impact has once again left a huge void.

Larison was a staunch supporter of public education and her career that spanned close to 30 years, was a testament to it.

Cheryl was a true champion for student success in school. She was a very dedicated Board member who was committed to improving all aspects of the educational process for students.

SUHSD Superintendent Tim Vanoli

Trustee Phil Tabera said it would be "difficult to fill her shoes....she was a good woman and will be missed." Trustee Padilla-Salsberg said Larison "was dear to my heart...treated



me very special. We have the ability to make friends...and we built a strong friendship and will miss her dearly.” Trustee Kathryn Ramirez said she “would miss her, was a great person” and “would be dearly missed”. Undoubtedly, she has left a void in our community that is as large as the one she has left in the SUHSD. May she Rest In Peace. Click [here](#) for her obituary.

Briefly

CSEA Secretary Lucy Vega thanked Tim Vanoli for attending a recent legislative meeting, where Trustees Cann, Martinez, and SVFT President McDougall were president. Vega mentioned “it was a productive meeting.” and that CSEA would do its part in “getting us where the District needs to be.” Vega implored the Board understand the importance of support staff and that those positions should be no less than 6 hours. She added many parents need services after schools are closed and that this would be a topic of discussion in upcoming meetings.

What’s In A PLA?

Business Manager of the International Brotherhood of Electrical Workers Andy Hartman requested that our Board explore the possibility of a Project Labor Agreement (PLA). Hartman described it as a “win-win-win for the local trades, the District and Community members.” And hey, who doesn’t like a win-win-win? I mean, it’s like having a win-win...plus another one! Huh? Glen Schaller, Political Coordinator for the Monterey Bay Central Labor Council also addressed the Board and asked that they do some research into Santa Cruz’s PLA deeming it as “the only way to ensure Salinas residents get a fair opportunity” to consider it. If you recall, several contractors at the last meeting categorized the Santa Cruz PLA as a financial burden, filled with change orders and delays that, according to them, pushed Santa Cruz’s



construction over budget by \$3 Million. Hmmm. Let’s see how this plays out.

You ‘Gotta Give ‘Em... ‘Credit’

Representatives from Keygent shared good news with our Board and informed them that our District’s credit rating went from AA3 to AA2, and ‘credited’ (see what I did there?) our outstanding reserve as part of the decision by Moody’s and Standard and Poor’s to move it up one tier. For the uninitiated, i.e. me, the highest rating that can be obtained is a AA1, so it’s kind of a big deal. Trustee Evamarie Martinez asked how many Districts had a AA2 rating, and the answer given was that Districts that tend to boast a wealthier demographic earn such a rating. For example, Menlo Park, California. But that’s not the main reason they presented. Keygent was there to present two financing options for funding the Bond our community was so gracious to approve. I won’t get too technical, but the Board was educated on two types of Bonds finance products. One is known as a Capital Appreciation Bond (CAB) and the other a Current Interest Bond (CIB) and unless you are in the business of investing heavily in the stock market or consulting, you probably have never heard of either. In the event you have, you’re a nerd. But I kid. ☺ Essentially, the implications are that if the Board chooses to finance it using CIB’s exclusively, the Bond will be dispersed over a 20-year span. On the other hand, if the District chose a mixed scenario, where it was funded by both CIB’s and CAB’s, money would roll into the project much faster. \$90 million dollars faster, that is. Superintendent Tim Vanoli quickly stepped in to make CLEAR the Board understood the implications of choosing a CIB product exclusively. He added choosing CIB and CAB’s together would get \$90 million dollars into District hands sooner. You can probably guess where the recommendation might be



heading. Trustee Martinez wanted to know that if based on the District's improved credit rating, would it receive preferable finance rates, to which they replied in the affirmative. Trustee Philip Tabera wanted to know what would happen if rates skyrocketed. Keygent based their assumptions on rates going as high as 7% and save some for some unforeseen financial disaster happening, such as assessed value tanking a whopping 20%, it was fairly unlikely. Oh, and one more thing, Keygent informed the Board it must decide the direction they will go in no fewer than two successive Board meetings. It's the law. And with all these acronyms, and talk of disbursements, bond financing, CIB's and CAB's.....it's easy to see how one can go cross-eyed! Personally, I recommend the CAB option,.....vintage 2007. Cheers!

