

# Budget crisis looms in teacher contract talks

■ Negotiations start today; Sequoia district wants concessions, union wants to dip into \$11M reserve fund

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When teachers' union negotiators sit down with Sequoia Union High School District administrators today to begin hashing out a new contract, both sides will be thinking about the state budget.

District officials say the latest version of the state budget cut \$1.9 million from schools in the new fiscal year that began June 30, on top of \$2.5 million in reductions trustees already approved in June.

Union and district officials have contrasting ideas for weathering the latest round of cuts.

The district wants union leaders to agree to concessions, possibly including furlough days and an end to free health benefits, according to the district's initial proposal.

But the union's president says the district should dip into its \$11 million reserve fund instead of cutting further from the district's \$100 million

budget. The state requires school districts to keep a 3 percent reserve.

Greg Gruszynski, president of the Sequoia District Teachers Association, said there "prob-

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**PAT GEMMA, SUPERINTENDENT, SEQUOIA UNION HIGH SCHOOL DISTRICT**

ably is a need to curtail some spending," but added that the district could "go through this whole year without making any cuts" by relying on its reserves. Top district officials say they need to preserve an ample reserve fund to prepare for mid-year state cuts and an anticipated \$3.4 million hit in the 2010-11 fiscal year.

"We absolutely will use the reserve to soften the blow, but it still may require furlough days,"

Superintendent Pat Gemma said Monday. "The blow is, we believe, yet to come."

The negotiations kicks off this morning with the first official meeting since the teachers' previous contract expired on June 30.

"I think our major unions, particularly the teachers' union, definitely understands the predicament we're in, and I have every reason to believe they'll work with us to try and resolve it," Trustee Olivia Martinez said.

The district's initial proposal, publicly unveiled in May, would eliminate free health coverage and require teachers to pay 10 percent of premium costs. It also would shorten the school year to 186 days by eliminating one staff development day.

Unless it reaches an agreement with the union that lowers employee costs, Gemma said the dis-

trict will have to rely on a list of \$1.5 million in tentative cuts discussed by the board of trustees last week.

The list includes possible elimination of four instructional aides, a maintenance worker, a guidance counselor and three teachers at the end of the first semester to adjust for enrollment declines. Also proposed is converting two staff development days to furlough days, saving \$400,000.

The \$2.5 million in cuts trustees approved in June included eliminating the equivalent of more than 26 employees, mostly from the district office, though many of those employees were placed in other district jobs.

Gruszynski stopped short of saying the union would refuse any cuts, but said he wants district officials to "look at all of the choices they have and not focus exclusively on reducing services.

"Of course fiscal responsibility is always important, but at what point do you reach a point where you can't cut any more services and maintain the quality education?" Gruszynski asked.