

SPECIAL BOARD MEETING: December 16, 2008

ATTENDANCE:

Board: Gary Eberhart, Paul Strange, Dick Allen, Linda Mayo, Sherry Whitmarsh

Administrative Staff: Superintendent Gary McHenry; Associate Superintendent Alan Young; assistant superintendents Mildred Browne, Rose Lock, Gail Isserman, and Dick Nicoll and General Counsel Greg Rolan

1. **CALL TO ORDER:** President Eberhart called the meeting to order at 6:00 p.m. in the Little Theater at Northgate High School.
2. **PUBLIC COMMENT:** None
3. **CLOSED SESSION:** The Board adjourned to Closed Session at 6:01 p.m. in Room 91 at Northgate High to discuss the superintendent's evaluation.
4. **RECONVENE OPEN SESSION:** The Board returned to Open Session in the Little Theater at Northgate High at 7:00 p.m. President Eberhart led the Pledge of Allegiance to the Flag and then reported the topic discussed in Closed Session. He also announced that the Board had adjourned to Closed Session at the end of the meeting on December 9, 2008, to discuss the superintendent's evaluation. The Board took no action in either session.
5. **BUSINESS**

5.1 Job Descriptions for Special Education/General Education Assistant III and Student Support/Registered Nurse
Mayo moved, Strange seconded, and the Board voted 5-0-0 to approve job descriptions for Special Education/General Education Assistant III and Student Support/Registered Nurse, with the following language added under Skills: "Ability to use computers and job-related software." Text will be shared with CSEA. The job descriptions were created to support the specialized health care and instructional needs students of pre K-adult students in general education and special education settings. Presented as information at the December 9 meeting, this item was returned for action at this time.

5.2 Request to Submit Title III Improvement Plan Addendum to the Local Educational Agency Plan (LEAP)
Whitmarsh moved, Mayo seconded, and the Board voted 5-0-0 to approve the submittal of an addendum to the District's Title III Improvement Plan, which is part of the Local Educational Agency Plan (LEAP). Pursuant to the Federal No Child Left Behind (NCLB) legislation, the District receives Title III funding to help English Language Learners become proficient in English and score at the Proficient level in reading and mathematics. Presented as information at the December 9 meeting, this item was returned for action at this time

5.3 Approve Change in the Reporting Relationship and Modify the Job Description of the General Counsel
Strange moved, Whitmarsh seconded, and the Board voted 5-0-0 to approve a change in the reporting relationship and a modification of the job description for the General Counsel. The position will report to the Governing Board and Superintendent with primary responsibility to the Governing Board. Currently the amount budgeted for legal services is as follows:

Special Education	\$500,000
Administrative Services	217,690
Personnel	<u>225,000</u>
Total	\$942,690

These amounts will be shifted to the General Counsel's budget as of July 1, 2009. Presented only as information at the December 9, 2008, meeting, this item was returned for action at this time.

5.4 Public Hearing on Budget Reductions

The Board of Education has to consider budget reductions to erase a revenue expenditure gap of more than \$6.6 million in the 2009-10 school. Reasons for the reductions include:

- A Revenue Limit deficit in 2008-09 of 3.71 percent
- A 0.68 Cost Of Living Adjustment in 2008-09
- A Revenue Limit deficit in 2009-10 of 9.763 percent

Information about the need for budget reductions has been presented at a series of meetings with various stakeholder groups and of district wide committees (e.g., Community Advisory Committee, Parent Advisory Counsel, Budget Advisory Committee), site and district administrators, and labor leaders. In addition, there were several board meetings where the list of items to be considered was reviewed and updated.

Public hearing Eberhart opened the public hearing at 7:10 p.m. Bob Dodson, past president of Diablo Managers Association (DMA), thanked the Board for removing several management-level positions from the list of proposed budget reductions. Saying he was pleased the District and MDEA have reached a contract agreement, he remarked that "now more than ever, we need to unify as a district, standing together in confidence with support and respect for one another." He said the managers' association is willing to work with others on passage of a parcel tax. Nancy Brenner, Sequoia Middle School librarian, described the value of full-time library media teachers in the secondary school instructional program. Parents Jeff Garzella, David Cummings, and Jim Koutsoubinas, teacher/parent/coach Jim Keck, and coach Todd Bauleke advocated for the District's continuing to support school athletic programs, saying parents are already providing most of the

funding and students who participate are benefitting athletically, academically, and socially. Sharon Brockman, Concord High vice principal, spoke in support of the work of the Personnel Coordinator. Adria Angelo, Special Education administrator, urged everyone to work together to pass a parcel tax, offered to donate money to a fund proposed by a parent at the last Board meeting, and spoke in support of the Senior Administrative Assistant to the Superintendent/Communications Specialist and the Workers' Compensation Manager positions. Gina Hale, parent, read a poem in support of services for students with special needs and also encouraged everyone to work together to raise revenue for District programs. With no other requests to speak, Eberhart closed the hearing at 7:40 p.m.

Staff report Superintendent McHenry presented an overview of the District budget for this year and the next two, reviewed cuts made over the past three years, and explained the current need for \$6.6 million in budget reductions. He said, "This time we're having to look at items we never had to look at before," citing athletics as a case in point. Without new revenue, such as a parcel tax, there is no choice but to reduce expenditures. He said he believed the Board could get to \$5 million in reductions without touching music, athletics, and librarians. "It's the last one and a half million dollars that is so difficult," he said. He explained that the recommendations he is making at this meeting are "the easy ones." He reviewed the list of proposed budget reductions to date.

Board comments/questions Mayo asked for clarification of Item 51, eliminating the computer operator position, which would then require additional services from Bi-Tech, the contractor. Joe Estrada, director of technology and information systems, said the net savings would be about \$15,000, but there will be additional work for other District staff. In regard to Item 52, eliminating one Intermediate Typist Clerk position in Purchasing. Mayo asked how one individual can accomplish the work of two. McHenry said staff looked at every department in an effort to save student programs. In regard to Item 54, in lieu payments for medical benefits, Mayo asked if this would be an employee option or a requirement. McHenry said the change would have to be negotiated. Strange asked if the District can restrict providing medical benefits to employees who have coverage through a spouse. McHenry said staff will do some research.

Board action on items recommended by the Superintendent

Item 21: Reduce contributions to summer school. Fiscal Impact: \$369,462
Strange moved, Allen seconded, and the Board voted 5-0-0 to approve.

Item 24 Reduce budget for Student Info. System by \$420,000 one time in 2008-09. Fiscal Impact: \$420,000, one-time
Allen moved, Whitmarsh seconded, and the Board voted 5-0-0 to approve.

Item 27 Eliminate one (1) vacant Occupational Therapy Assistant position. Fiscal Impact: \$56,733
Whitmarsh moved, Strange seconded, and the Board voted 5-0-0 approve.

Item 29(a) Shift the cost of the Administrative Secretary's position in Technology and Information Services to the CSIS grant for the 2009-10 school year. Fiscal Impact: \$60,000, one-time
Allen moved, Strange seconded, and the Board voted 5-0-0 to approve.

Item 33 Shift funding for one (1) FTE Senior Account Clerk to 70% Developer Fee and 30% Food Services. Fiscal Impact: \$65,494
Whitmarsh moved, Mayo seconded, and the Board voted 5-0-0 to approve.

Item 58 Reduce 1.5 FTE staffing assigned to Mt. Diablo High School. Fiscal Impact: \$81,643
Strange moved, Allen seconded, and the Board voted 5-0-0 to approve.

Item 70 Implement a "Just in Time" delivery program for ordering office and custodial supplies. Instead of being delivered and stocked into the warehouse, both stock and non-stock items will be delivered directly to district sites and departments. Fiscal Impact: Will reduce the inventory value level from \$500,000 to \$250,000.

Strange moved, Allen seconded, and the Board voted 5-0-0 to approve. Allen asked for a progress report in about a year.

Board action on items brought forward at the request of individual Board members

(At this meeting and at the direction of the Board president, the Board began using a new process for considering and acting on budget reductions. In addition to the items recommended and listed on the Board agenda by the superintendent, the president will also entertain motions from the floor by Board members to consider and act upon any other item on the Budget Reduction List.)

Item 69: All employees take a 1% salary reduction effective 2009-2010—REMOVED
Strange moved, Whitmarsh seconded, and the Board voted 5-0-0 to remove this item from the Budget Reduction List.

Item 15: Transfer a portion of the staffing cost of five (5) elementary P.E. Teachers to the P.E. Incentive Grant—REMOVED
Strange moved and Whitmarsh seconded the motion to approve the transfer. However, Isserman reported that the grant does not allow such a transfer. McHenry explained that the item was a leftover from the previous list, and the grant requirement restricting the transfer was only just learned. Strange then withdrew his initial motion and Whitmarsh her second. Strange then moved, Whitmarsh seconded, and the Board voted 5-0-0 to remove Item 15 from the list.

Item 2: Reduce one (1) Parts Controller position. Fiscal Impact: \$67,533
Strange moved, Allen seconded, and the Board voted 5-0-0 to approve.

Item 39: Reduce the General Purpose contribution to Curriculum and Instruction by \$115,358, with the actual position(s) determined by staff.
Strange moved, Eberhart seconded, and the Board voted 5-0-0 to approve. McHenry said staff would bring back to the Board the changes made as a result of this reduction.

Item 46: Eliminate one (1) Carpenter position. Fiscal Impact: \$78,036
Whitmarsh moved, Strange seconded, and the Board voted 5-0-0 to approve.

Item 47: Eliminate one (1) Electro-Mechanical Technician Apprentice position. Fiscal Impact: \$78,895
Eberhart moved, Allen seconded, and the Board voted 5-0-0 to approve.

Item 48: Eliminate two (2) Heating and A/C Mechanic positions. Fiscal Impact: \$161,748
Eberhart moved, Strange seconded, and the Board voted 4-1-0 (Mayo, no) to approve.

Item 49: Eliminate one (1) Plumber position. Fiscal Impact: \$71,936
Strange moved, Whitmarsh seconded, and the Board voted 5-0-0 to approve.

Item 50: Eliminate one (1) Glazier position. Fiscal Impact: \$81,696
Strange moved, Whitmarsh seconded, and the Board voted 5-0-0 to approve.

Item 55: Reduce Worker's Compensation Manager position. Fiscal Impact: \$130,694

Discussion Mayo said this position will provide reductions in Workers Compensation expenses over the next two to three years. She noted that the employee has been in the position only a year and has increased employees' safety awareness and reduced the rate for the District's Workers' Compensation premium and the number of employee claims for injury. Allen agreed with Mayo's comments. Eberhart argued that the Workers' Compensation program belongs in the General Counsel's office, that savings in the program to date are a result of changing the provider, that savings at a level being projected will not be achieved, and that the position does not have direct impact on students. McHenry said that although the Risk Manager previously handled the Workers' Compensation program, staff believed it needed more attention. The Workers Compensation Manager position was created as a way to reduce costs. The District is losing millions of dollars on employees who are out on leave. If the number of claims continue to go down, the Workers' Compensation rate will also go down. He asked that the Board postpone action on this item in order for staff to have time to provide additional information to the Board.

Action Eberhart moved, Strange seconded, and the Board voted 3-2-0 (Allen, Mayo, no) to approve.

Board comment Eberhart remarked that, unlike the last time the Board had to consider budget cuts, this time the superintendent's staff has done a good job of providing Board members with a sufficient number of proposed cuts so they can set priorities. Strange said he, too, was critical of the former process and is "very happy with the approach" being used this time.

5.5 Consider Reorganization of the Office of Legal Counsel

Board/staff discussion Strange, who initiated this proposal, explained his rationale for it, noting that one area for possible budget reduction is the addition of Associate General Counsel positions to help reduce legal fees. During the 2008-2009 calendar year the District spent more than \$1.6 million on outside law firms. As with the addition of the General Counsel position in 2005, the addition of Associate General Counsel should provide additional fee reductions. The initial projections demonstrate the possibility of between \$250,000 and \$500,000 in initial savings. It is anticipated that the savings generated by moving legal work from outside vendors to inside attorneys will save between \$750,000 and \$100,000 in contracted legal services.

McHenry encouraged the Board to discuss the proposal seriously. The cost of office space for these positions has not yet been determined and the Request For Proposal process for outside legal services begun last spring is not yet complete. He believes that process will achieve savings. It would be helpful to determine the extent of the savings before new positions are considered. Eberhart noted that a great deal of the District's legal services is expended on Special Education. He believes inside counsel will provide more caring services to students and families than outside. He asked for information on the office space issue. Mayo asked when the savings might be realized, pointing out that some current cases being handled by outside firms are likely to continue. She asked for a report on the number and status of cases handled by the law firms listed in the agenda and the number of cases the General Counsel is currently handling. She asked if the existing clerical position in the General Counsel would continue or be replaced by the legal secretary position being proposed. She also asked if there are cases related to worker injury that can be mitigated through the worker's compensation manager position. Strange said it is more cost-effective to have outside counsel continue with existing cases. He said it will be difficult to provide a status report on current cases and noted that the legal secretarial position would be in addition to the current clerical support. Eberhart said it is important for the District's General Counsel to be the sole provider of legal services, whether through his efforts or through outside counsel. Presented only for information at this time, this item will be returned for action at a subsequent meeting.

5.6 Consider Pursuing Parcel Tax for June 2009

The District is faced with reducing expenditures by a minimum of \$6.6 million. Depending on what happens at the state level, the necessary reductions may total \$17 million based on the information received to date. For some time the Board has discussed the feasibility of pursuing a parcel tax. At this meeting, the Board was asked to discuss the topic and provide direction to staff.

Board/staff discussion McHenry reported that there are 75,000 parcels, excluding those owned by individuals 65 and older as there would be a senior exemption to the tax available to them. He is suggesting a tax of \$10 to \$15 a month and contacting those who served on a parcel tax committee a year ago to see if they are still interested in working on this effort. To meet the timeline for placing a parcel tax initiative on the June 2009, the Board would have to adopt a resolution by January 27, 2009. The county's deadline for posting an election is February 16, 2009. Nicoll explained that the Board must meet the statutory deadlines, but can rescind its action at any time throughout the process. In response to Mayo, Nicoll said advisors would have to be consulted in regard to developing the ballot language, though the process is not as involved as the one for a General Obligation Bond. Eberhart said the Board needs to let the community know of its intent and determine the amount of the parcel tax as soon as possible. In response to Eberhart, McHenry said a citizens committee, not the District, would hire a campaign consultant. He also said staff can put together some draft language and a possible tax amount by the January 13, 2009, Board meeting. Strange voiced his support for a parcel tax and encouraged the public to volunteer to help promote it. In response to Strange, Nicoll said the District would receive money from a parcel tax passed in June at the same time they would have received money from one passed last November. Whitmarsh also encouraged "anyone who wants to save programs for our children" to get involved. Eberhart also spoke in support of this effort, saying, "We can all do this if we do it together." Staff will bring this item back to the Board at the January 13, 2009, meeting. Presented only for information at this time, this item will be returned at a subsequent meeting.

6. ADJOURNMENT

Eberhart adjourned the meeting at 9:55 p.m.

Gary McHenry, Secretary