

School Board News! Highlights from the February 9, 2011 Meeting
by June Monach, Board Member

Key Agenda Topics :

	<u>Actions Taken:</u>
• Engaging a Community of Readers – The “Readmont” Project	Reviewed
• Information on Proposed New Honors English Course for PHS Juniors	Reviewed
• Report from Citizens’ Advisory Committee for School Parcel Tax	Reviewed
• Announcement of Openings on Citizens’ Advisory Committee for Parcel Tax	Reviewed
• Multi-year Budget Development Plans and Particular Kinds of Service Lay-off Notification Process	Direction Provided
• Financing Update on Seismic Safety Bond Program	Reviewed
• Proposal to Increase the Guaranteed Maximum Price for Wildwood Retrofit	Approved
• Proposal to Increase Architectural Fees for Wildwood Retrofit	Approved

Engaging a Community of Readers – The “Readmont” Project: PHS English Teacher and Department Chair Beth Black and PHS Teacher Librarian Susan Stutzman, shared with us the launch of an exciting community read project. Everyone is invited to read the book, The Boy Who Harnessed the Wind, by William Kamkwamba and Bryan Mealer, and participate in discussions about the book in different venues over the next few months. About a boy who uses junk yard parts to bring electricity to his village in Malawi, Ms. Black said, “It’s a good read for everyone!” According to Ms. Stutzman, “The goal of the project is to bring people together around a common topic.” In addition to discussion groups and possibly an author visit, Ms. Stutzman mentioned that the Piedmont Patch may host a discussion forum on its web site. Assistant Superintendent Dr. David Roth thanked Ms. Black and Ms. Stutzman for their enthusiasm and leadership. Mr. Booker noted that, “This is what teacher leadership in our schools looks like. And their efforts are having a positive impact on the community as a whole.” For more information or if you are interested in helping with the Readmont Project, please contact PHS Teacher Librarian Susan Stutzman at stutzman@piedmont.k12.ca.us, or English Teacher & Department Chair, Beth Black at bblack@piedmont.k12.ca.us. For additional details, go to: <http://www.piedmont.k12.ca.us/phs/pdf/news/readmont.pdf>

Opening Pathways for Honors Level English Studies at PHS: PHS Principal Randall Booker previewed his intentions to bring to the Board in March a proposal to offer Honors English to PHS Juniors next year. Viewed to be a way to support students who want to pursue a more rigorous course of study in English earlier in their high school career, Mr. Booker described the process used to develop the recommendation. Over the last several years, the proposal has been discussed in depth by the English Department and at Site Council meetings and input also has been solicited from students. Principal Booker touched upon the major reasons for the recommendation: 1) There is student interest in pursuing English studies in more depth; 2) For those who have a passion for the humanities, the addition of the course provides more options in their schedule, akin to the options available to students who have a passion for the sciences; 3) The course will expand the offerings without impacting the budget; 4) Taking an honors level course helps students in the increasingly competitive college admissions process, as grades for honors classes are weighted as they are for advanced placement classes in the calculation of a student’s grade point average. Parent and PHS Site Council Member Jon Elliott, complimented Mr. Booker and the staff for the thorough and open process used to arrive at the course offering recommendation.

Congratulations PHS National Merit Scholars! Mr. Booker proudly reported that all 11 PHS students who were National Merit Semi-finalists were named Finalists in the national academic scholarship program. The National Merit® Scholarship Program is an academic competition for recognition and scholarships that began in 1955. Over the years, the number of Piedmont students who receive this recognition has been growing. Mr. Booker thought this was the first time that all semi-finalists had been named finalists.

School Parcel Tax – Report from Citizens’ Advisory Committee: Community Member and Chair Jon Elliott presented a committee report with recommendations to levy the temporary emergency parcel tax (Measure E) next year, and to increase the core parcel tax (Measure B) by the full 5%, or \$407,250. According to Mr. Elliott, “the criteria for the levy of Measure E have been met, and the committee recommends that the assessment be levied in 2011-12.” The recommendation to increase Measure B by the full amount is based on two conditions stipulated in the report: 1) that a significant portion of expenditure reductions to address the projected \$1.4M gap be made through employee negotiations rather than through layoffs “that would

reduce program offerings that the parcel taxes are intended to avoid"; and 2) of the total revenues from a 5% parcel tax increase, 2% (\$162,900) be allocated to help maintain programs in 2011-12, and 3% be set aside in the Parcel Tax Reserve Fund to offset the expiration of Measure E at the end of 2011-12 and to help preserve programs in 2012-13. A dissenting opinion was presented in the report by community member George Childs. He agreed with key components of the proposal including the recommendation to levy the emergency parcel tax, Measure E, and the necessity of levying the core tax, Measure B. Where he differs from the majority recommendation is on what the escalator should be. For those on fixed incomes, he felt a 2% escalator was better. The Governance Team thanked the committee for its hard work in developing a thoughtful report, and for presenting its recommendations earlier in the budget development cycle, given the March 15 statutory lay-off notification deadline for certificated employees. Superintendent Constance Hubbard noted the report and recommendations should be taken into consideration in the context of the budget development process to be addressed later in the agenda. The final decision on the levy amounts will take place in April after two public hearings scheduled in March and April. For the complete report, go to pp 1-10 at the link below:

<http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/020911packet.pdf>

Interested in Serving on the Citizens' Advisory Committee on Parcel Tax Program Measures B & E? Parents and community members interested in delving into the complexities of school finance and working on a team that has an advisory role in recommending the school parcel tax levy amounts are invited to apply. All applications must be received no later than 4:30 pm on Thursday, March 10, 2011. Go to the links below to review the committee's charter and to download an application:

Committee Charter - http://www.piedmont.k12.ca.us/forms/cac/CAC_Charter_120810.pdf

Application - http://www.piedmont.k12.ca.us/forms/cac/CAC_Application.pdf

Multi-year Budget Development Plans: The Governance Team must approve by its March 9th meeting the "Particular Kinds of Services List" (PKS) that will govern how many notices will be given to certificated employees whose positions may be eliminated or who may work fewer hours next year. The notification process is an arcane system: the service areas on the PKS list (seniority, type and number of credentials received, grade level enrollment patterns, and type of employment contract) influence whether or not a certificated employee receives a notice. The following items framed the Board's discussion and direction provided on the scale of the PKS list to be presented in early March:

- PUSD Commitments and Goals
- Guiding Principles for Multi-Year Budget Development
- Employee negotiations progress
- Recommendations from the District's administrative team on proposed program expenditure reductions
- Recommendations from the Citizens' Advisory Committee on the Program Parcel Tax Measures

Regarding negotiations with the Association of Piedmont Teachers (APT), which are confidential, Superintendent Hubbard reported that, "We close to addressing a significant portion of the \$1.4M (estimated shortfall) through employee concessions -- some of which would be one-time, ongoing, and contingent." She asked that the Board give direction to the staff so that a PKS List could be finalized and approved by the Board at its March 9 meeting. Referring to Attachment D in her memorandum to the Board, she noted that recommendations to reduce certain aspects of a program based on relative impact, in no way means that we value less the importance of the contribution of the individuals who provide each service or program. It is recognized that any reductions will affect students. The bitter reality is that some reductions will need to be made, so the guiding question that she suggests we ask is: What is most important for students over the long haul?

Assumptions on the Parcel Tax: We recommended that the full 5% escalator be applied to the core parcel tax, Measure B, for 2011-12. Board Member Martha Jones revisited the purpose of these funds from the June 2009 Ballot. For Measure E, "to avoid teacher and staff layoffs, protect programs and services including music, foreign language, library and counseling, and prevent other cuts to core academic programs and services;" and for Measure B, for "attracting and retaining qualified teachers, maintaining small class sizes and protecting instructional programs and services, including art and music, foreign language, advanced placement, school libraries, classroom technology and student counseling." Although Board Member Ray Gadbois initially suggested assuming the 5% escalator be implemented for all three years of the multi-year budget projections, a majority of the Board thought it would be prudent to limit making that assumption to FY 2011-12 only. In response to the Citizens' Advisory Committee for the Parcel Tax Measures (CAC) recommendation to levy the full increase and set aside 3% of the increase for use the following year, a majority of the Board thought the full 5% increase should be set aside to address the more significant uncertainties in 2012-13 and 2013-14. Vice President Rick Raushenbush recommended that the revenues

from the 5% increase be used to maintain program and for contingencies in the out years. Board Member June Monach referred to the Guiding Principles and shared feedback provided by the Budget Advisory Committee on the principle (#3) that addresses our expectations to reduce the rate of growth of the parcel tax over the long-term. She supported returning to the past practice of setting aside levy increases to be used at the end of the parcel tax term as recommended by the CAC. Board President Roy Tolles supported the CAC's recommendation to allocate only 2% of the Measure B increase, suggesting that over time we need to stabilize the proportion of funding coming from the community.

Direction Provided on Program Reductions & PKS List: The Board was in full agreement in wanting to minimize the impact to the current educational program, *and* to develop a realistic contingency plan given the magnitude of the State budget crisis, uncertainties around the Governor's state tax extension initiative, and the economic recovery forecasts for our State. VP Raushenbush recommended that we develop a 3-level contingency plan where: 1) Negotiations are completed before March 9 with significant concessions to address the multi-year deficit; 2) The Governor's proposed state tax extensions pass in the June election; 3) We do not reach a negotiated settlement in time and the ballot initiative fails. Board Member Monach felt it was imperative that we do everything possible to preserve the K-12 educational experience for all students and the support for professional growth for all staff. Board Members agreed that the magnitude of the PKS List would be informed by negotiations outcomes and acknowledged that our support for the proposed \$300,000 - \$500,000 in program reductions was contingent on hearing from the negotiating team well before March 9, when the Board must approve the PKS list.

Educators' Perspectives: APT President Harlan Mohagen urged the Board to continue to invest in the student experience each year he/she is in school, and not to make preemptory cuts to address future projected deficits that would impact these experiences. She conveyed APT's strong desire to work with the district to come up with a sustainable solution. PMS Teacher, John White impressed upon the Board that the minimum level of proposed cuts will have a high impact on the school district's ability to educate the whole student, and that our program would forever be changed. PMS Teacher Stella Kennedy expressed excitement for the depth of learning and work that is happening in our schools, and asked for the Board's leadership and support to "give us everything you can in terms of resources" so we can "forge ahead and keep doing a better job every day." PMS Teacher Joci Kelleher expressed her appreciation to families for their support and how lucky she feels to be working at PMS. She asked the Board to keep in mind the painful sacrifices that are being made by all staff and advocated for the needs of single income families.

Parents' Perspectives: Mary Kelly, VP of the PMS Parents' Club, urged the Board to make the minimum cuts necessary to address the financial situation we face. She reflected on the program reductions being proposed, and how gut-wrenching they are. She felt as if many parents have the means and desire to give more in order to save our exceptional program. PHS Parents' Club President Mary Ireland concurred that parents are invested in our schools and we should keep as much of the program intact as possible. She thanked Superintendent Hubbard and Assistant Superintendents Brady and Roth for "preserving our programs against all odds." Parent Jon Elliott agreed with many of the speakers but arrived at a different conclusion in terms of the rate at which we should address the budget problem. He suggested that continuing to smooth the cuts (as we have done to-date) would result in the need to make far bigger cuts in the near future – and urged the Board to make the painful cuts now.

Board President Roy Tolles expressed his deep appreciation to the entire staff for their commitment and inspiration. He marveled at how much his children love their teachers and look forward to going to school. And he thanked the parents and community members for providing comments via e-mail and at the Board meeting that evening.

For more information, see pages 15-23 at the following link:
<http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/020911packet.pdf>

Financing Update on the Seismic Safety Construction Program: Vice President and Financial Advisor with Kelling Northcross & Nobriga Ruth Alahydoian, provided information to the Board regarding the Qualified School Construction Bond (QSCB) Program and other funding options to consider in helping the Board decide when to begin the Beach Elementary School retrofit project. **QSCBs:** Of the \$56M authorized by voters, to-date the District has issued \$34M in long term bonds and a \$12M bond anticipation note, leaving \$10M still available to issue. As reported at our last meeting, we received an allocation from the state to issue the remaining \$10 million as Qualified School Construction Bonds (QSCB). The QSCB program is part of the federal stimulus package, administered by the state. The bonds must be issued by July 14, 2011. VP Alahydoian

explained that the repayment of existing seismic bonds, QSCBs, and prior bonds will be limited to \$155 per \$100,000 of assessed value of a homeowner's property. In terms of next steps, the District will work with KNN and present bond documents for the Board to approve in March/April; the bonds will be issued in May, with a closing in June. **Beach Project:** We have targeted the end of March to make a "go" or "no go" decision on the Beach retrofit project. The state's delay in funding approved projects has created a cash crunch for public school construction throughout the state. For Piedmont, the cost of the delay was estimated to be at least \$420,000 assuming a 6% cost inflation factor. In anticipation of approximately \$4.9M in funds being released by Fall/Winter of next year, Ms. Alahydoian reviewed with the Board three short-term bridge financing options for a \$5M financing. All of the options would require that the District pledge its General Fund for debt repayment. KNN would need 3 months to prepare bridge financing documents for PUSD. Superintendent Hubbard said that the project management team was continuing to review actual spending relative to budget on the current projects to see if the financing need might be less than \$5M. To see the KNN PowerPoint presentation, please go to:
http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/KNN_020911.pdf

Proposed Increases to the Wildwood Guaranteed Maximum Price and Architectural Fees to murakami/Nelson: Because of changes to the Wildwood retrofit project scope and unforeseen conditions identified during demolition, the Board was asked to approve a contract change in the GMP in the amount of \$157,603, increasing the total construction contract to \$4,872,603. Assistant Superintendent Brady noted that the construction management team remains confident that the project continues to be on time and on budget. He also alerted us to the fact that this increase is not likely to be the last proposed GMP increase. After reviewing the Change Order Detail provided, the Board approved the proposed increase.

The Board also approved an \$87,950 increase in architectural fees to murakami/Nelson Architects. The increase is due to an excessively long review process by the Sacramento office of the Division of the State Architect (DSA) for the Wildwood project. Assistant Superintendent Brady noted that murakami/Nelson's proposed fee increase represents 50% of the actual expense associated with the additional work. The cost of these additional fees will be covered under the soft-cost contingency and will not increase the project's GMP. See pp 11 – 14 for background information on the proposed GMP and architectural fee increases: <http://www.piedmont.k12.ca.us/aboutpusd/agenda.minutes/020911packet.pdf>

Other Business: On Monday, February 14, 2011 from 4 – 6 pm, the Board will hold a Closed Session meeting with District Negotiators to discuss negotiations with the Association of Piedmont Teachers (APT), California School Employees Association (CSEA), and Association of Piedmont Administrators (APSA). On Wednesday, February 16, 2011, the Oakland and Piedmont League of Women Voters, Piedmont Educational Foundation, and Piedmont Civic Association invite the public to attend a forum on school funding and "Making Resources Count" from 7 – 9 pm at the Piedmont Community Hall. Panelists include Senator Loni Hancock who serves District 9, Oakland Unified School District Superintendent Tony Smith, and Piedmont Unified School District Board Member Ray Gadbois.