

PIEDMONT UNIFIED SCHOOL DISTRICT
Council Chambers, City Hall
120 Vista Avenue
Piedmont, California 94611

MINUTES OF
Special Meeting of the Governing Board

February 24, 2009

CALL TO ORDER	Board President Monach called the Special Meeting of the Board of Education to order at 6:34 p.m.
ESTABLISHMENT OF QUORUM	President June Monach, Vice President Ray Gadbois; Board Members Roy Tolles; Martha Jones, Rick Raushenbush
ADJOURN TO CLOSED SESSION	The Board adjourned to Closed Session at 6:35 p.m. to discuss: A. Conference with District Negotiator Constance Hubbard Regarding 2009-10 Negotiations with the Association of Piedmont Teachers (APT) (Government Code Section 54956.6)
OTHERS PRESENT FOR CLOSED SESSION	Constance Hubbard, Superintendent Dr. David Roth, Assistant Superintendent, Educational Services Michael Brady, Assistant Superintendent, Business Services
RECONVENE TO REGULAR SESSION	Board President Monach called the Regular Session of the Special Meeting of the Board of Education to order at 7:12 p.m. and led the Board and audience in the Pledge of Allegiance.
OTHERS PRESENT AT REGULAR OPEN SESSION	Constance Hubbard, Superintendent Michael Brady, Assistant Superintendent, Business Services Dr. David Roth, Assistant Superintendent, Educational Services
REPORT OF ACTION TAKEN IN CLOSED SESSION	None
REVIEW & ACTION ITEMS Conduct Public Hearing and Review of Resolution 12-2008-09, "In the Matter of the Reduction or Discontinuance of Certain Certificated Particular Kinds of Services for the 2009-2010 School Year"	Superintendent Hubbard explained that, for certificated teachers, counselors, librarians, and administrators, whose position may be discontinued, reduced or in any way changed for the following year, they must be notified by March 15 of the preceding year. By March 15 of 2009, the District must notify anyone for which it may not have a job for or any service that may be discontinued or reduced. The District is looking at a gap of \$1.5 million in the budget for the 2009-10 school year. It is looking at other ways, beside people, to reduce the deficit. However, if the District has to discontinue certain kinds of services, the Board must adopt which services might go away and the people to whom it applies. At this time, it has been identified that 46 employees, equaling 25.3 FTEs (full time equivalents) - will receive letters of either possible layoff or release from a temporary contract. Thirty- four of the forty-six employees who are on temporary contracts are not subject to layoff but will be released from their positions at the end of the school year. There are 12 people who are either tenured or on the probationary list who will also receive a letter stating they may not have a position next year. The District has between March 15 and the end of the school year to determine which programs are going to be reduced. There will be

much more time by then to identify a level of K-12 services in total, looking at no specific program. The District wants to have balance across grade level, classroom, support services, administrative services, and classroom size. It also has to account for those employees on leave and returning who would be able to bump other employees. Some of these services will be reduced but not to the degree listed tonight. This also takes into account early retirements, class size, etc.

Classified employees will also be affected but their contract requires a 45-day advance notice, which will take place in April. The District's loss of State revenue from last year to 2009-10 is \$1.9 million. The District has already made cuts in the amount of \$400,000, which brings the amount down to \$1.5 million.

Action on the reduction of classified employees will be brought to the Board at the regular meeting of March 11, 2009.

There was no one from the audience requesting to speak.

Review and Adopt Resolution 13-2008-09, "In the Matter of Determination of Seniority Among Certificated Employees with the Same Seniority Date" (Tie-Breaker Resolution)

The purpose of this resolution is to establish a "tie-breaker" criteria for groups of teachers with the same seniority date, so that the Superintendent can apply it to the list to determine to whom the notices will be given.

There was no one from the audience requesting to speak.

It was moved by Board Member Raushenbush, and seconded by Board Member Jones to adopt Resolution 13-2008-09. The Board was polled and the motion passed as follows:

AYES: Monach, Gadbois, Tolles, Jones, Raushenbush
NOES: None
ABSTAIN: None
ABSENT: None

Conduct Public Hearing and Adopt Parcel Tax Renewal Resolutions as follows:

Sample resolutions and options were provided that reflected different ways in which the parcel tax renewal can be approached.

- a. Adopt Resolution 10-2008-09, "Proposing a Qualified Special Tax and Establishing Specifications of the Election Order, Measure P" (Option A), and Adopt Resolution 11-2008-09, "Proposing a Qualified Special Tax and Establishing Specifications of the Election Order", Measure Q" (Option A-1)

Superintendent Hubbard indicated a page in the Board packet that reflects the recommendation made by the Parcel Tax Co-Chairs at the last Board meeting. The important thing to look at is how to handle the renewal of current Measures B and C. Superintendent Hubbard would like the Board to consider that, as the District's core measure, have current Measures B and C rolled into one measure. This Measure is presently labeled as Measure "P", but the final letter cannot be assigned until the resolution goes to the Registrar of Voters, at which time they will assign the letter. There are two ways to consider this resolution. The present duration of the Parcel Tax is due to expire in June 30 of 2010. The Board can choose to have the tax continue for four years or eight years. The other consideration is the amounts of the levy. The sample resolutions (Section 19) authorize the Superintendent to correct or change any language in the resolution per the Board's direction and proceed with submitting the resolution to the Alameda County Office of Education and Registrar of Voters. The District is on a County time constraint which involves having the resolutions being adopted, reviewed by

OR

- b. Adopt Resolution 10-2008-09, "Proposing a Qualified Special Tax and Establishing Specifications of the Election Order", Measure P" (Option B)

our attorneys and submitted by next week.

The parcel tax represents 27% of the District's operating budget. It has grown over the years as an integral part of the program the District presently provides. One sample resolution reflects the idea of a 5% increase above the 2009-10 rate (as recommended by the Parcel Tax Committee); the other sample resolution shows the 2010-11 rate as exactly the same as the 2009-10 rate.

The cost to the General Fund for running a parcel tax election is between \$25,000-\$50,000.

The Parcel Tax Committee recommended a second resolution which will be discussed later.

Parcel Tax Co-Chair Terry London provided a recap of the committee's recommendations, which were:

- Continue the parcel tax for four years, rather than eight
- Keep the tax the same (no percent of increase) for the four years

On the second Measure, the baseline Measure is very important. \$1.5 million is a huge whole to fill. The \$249 per parcel amount was chosen as a balanced and fair amount – a good sharing of the burden between the community and the District. This tax should only be for a three year term; it should be treated as an emergency measure without a 5% escalator, and it is designed to include an advisory citizens' oversight committee for ongoing involvement and language that if more money comes in from the State than anticipated, the tax would either go away or be reduced.

The public hearing was opened. President Monach asked that each individual keep their comments to two minutes.

Former Board Member Ward Lindenmayer commented that as co-chair of a prior parcel tax election campaign, he is strongly endorsing Options A and A-1 for the ballot. The recommendations are well thought out, carefully constructed, and represent what is the best we can hope for, given the economic and political climate in which we find ourselves in today. He would have hoped for more money but understands the electorate is feeling pressured. He is very much in favor of the longer term of Option B (8 years); the budget cuts that would be required by Option B are too much for the District to bear and would result in a seriously diminished educational program for the students of our District. He would like to see Option A with an eight-year term. He is concerned that if the Board does not vote unanimously, it may send a dangerous signal to the voters that the Board itself is divided on whether this money is really needed by the District or whether there are further cuts in reductions that can be made in order to balance the budget at a lower level, impacting the educational program to our students.

Former Board Member Cathie Geddeis felt it is key that the renewal of the base tax with no increase is clearly the direction that everyone was intending to go but the issue is that the alternative was clear from the beginning that it would not be adequate funding to maintain the program. Realistically, it is not feasible or equitable to expect the

community to fully fund that gap.

Resident Ad Brugger thanked the Parcel Tax Committee. He has studied the report and has concluded that he would be profoundly concerned if the basic parcel tax failed to pass. It would devastate the schools. He would be equally concerned and disappointed if the proposed increases were to pass. Since 1999, the parcel tax has tripled and the District can institute effective economies without jeopardizing the academic core. With a possible exception of San Marino, Piedmont has the highest parcel tax in the State. He urged the Board to increase the tax by only three percent rather than five percent.

Piedmont High School senior William Dodds expressed his sincere gratitude for the community's continued support. He feels the community, as a whole, bands together to support the schools. He is supportive of the \$249 per parcel emergency tax, because he wants his younger brother and lower grade level students to have the same opportunities he has had and he knows this tax would help make that happen.

Resident George Childs spoke in favor of Option A and is in support of a Citizens' Advisory Committee to track the monies. He also commented that, since 1997, the parcel tax on his property has increased 314%.

Resident Catherine Ogle also reviewed her parcel tax records: in 2001-02, they were \$495 and presently, they are \$2000 – quadrupling the amount. Based on that, she feels the Board should consider whether a 5 percent accelerator is needed. At the level of community support now given, between parcel taxes and donations, which are approaching \$10 million, she feels there needs to be more openness and responsiveness to those contributing those amounts. She indicated there is a lot of frustration among parents about not being meaningfully included.

She is extremely interested in seeing the community support for a Citizens' Advisory Committee to the parcel tax program, as an independent committee serving the Board, and getting information and data to the Board. Community members need to have some input.

There being no one else wishing to speak, President Monach closed the public hearing.

It was moved by Vice President Gadbois and seconded by Board Member Tolles to adopt Resolution 10-2008-09, "Proposing a Qualified Special Tax and Establishing Specifications of the Election Order, Measure P" under Option A), which is essentially a combination of the two existing taxes, with an increase between the current tax and the renewal, but with a potential for a 5% escalator in the following years; and the establishment of a Citizens' Advisory Committee for a four-year term.

President Monach added that this option was the one recommended by the Parcel Tax Committee.

The Board was polled and the motion as follows:

AYES: Monach, Gadbois, Tolles, Jones, Raushenbush
NOES: None
ABSTAIN: None
ABSENT: None

(Discussion and Motion on Resolution 11-2008-09, "Proposing a Qualified Special Tax and Establishing Specifications of the Election Order", Measure Q" (Option A-1))

Superintendent Hubbard advised that as part of the Parcel Tax Committee's recommendation that was presented, because of the reductions (\$1.5 million range) being looked at for next year due to the reduction in State funds, the committee recommended a second parcel tax measure to help offset the reductions anticipated. The amount proposed was a \$249 per parcel flat tax with no escalator. Another component recommended is the establishment of a Citizens' Advisory Committee. The tax would be levied starting July 1, 2009 and go for three years with the expectation that the tax would expire and not be renewed; that the District would make adjustments in its budget to make sure that in its fourth year out, it would know how to sustain the K-12 educational program. All District projections for 2009-10, 2010-11, and 2011-12 did not carry the tax forward with the 5% increase. It is expected that this special tax would augment the \$1.5 million in reductions, with \$500,000 of reductions in 2009-10, even with this extra tax. They would be ongoing reductions starting in 2009-10.

Superintendent Hubbard continued that it is very possible the reductions could increase in the following years to more than \$500,000. If, for some reason, the State or Federal money rose up to the funds as projected in the past, the second flat tax would not be levied.

The Board discussed replacement wording in proposed Resolution 11-2009-10, to clarify that if the deficit factor reported in the "dartboard" from School Services of California used to develop the First Interim Budget Report for that budget year is reduced to zero, the tax will not be levied; that each year the Board would have to adopt a resolution on the amount to be levied; that the amount of \$249 per parcel is a maximum; and there will be a recommendation on the levy by a Citizens' Advisory Committee to be appointed by the Board.

Superintendent Hubbard wanted to clarify that these cuts and projections are based on information from the State on the revenue side; however, on the expenditures side, it is presumed there will be zero salary increases for employees for the next two years.

George Childs agreed with the three-year term for the measure and expressed his concern that the flat tax would be a disparity and heavier burden on the smaller parcel property owners.

Superintendent Hubbard indicated there will not be another public hearing for the 2009-10 levy besides the one at tonight's meeting because there is not time to conduct another hearing and get the information to the Alameda County Registrar of Voters.

Cathie Geddeis said if you are looking at the renewal of the base tax and the additional \$249, she sees a philosophical difference in that past parcel taxes were really structured to fill the gap. Now, the gap is caused by the structural issues of Sacramento and the fact the 5% was not meant to be any sort of inflation factor but just what was needed to fill the gap given the structural increases built into our budget versus the percentage of funding the parcel tax. She thinks the approach has now gone away from the idea that realistically the gap cannot be filled by the community or by the District and it has to be dealt with. With that in mind, this is not just an open bucket that the community is going to be expected to contribute. Hopefully the \$249 parcel tax would understand that it is their choice and will vote on that.

Ms. Geddeis encouraged the establishment of a Citizens' Advisory Committee and would like to have a discussion about the structure of the committee and its expectations. The committee has a lot of potential to inform the community.

There being no one else wishing to speak, the public hearing was closed.

After Board discussion, it was moved by Board Member Raushenbush and seconded by Board Member Jones to adopt Resolution 11-2008-09, "Proposing a Qualified Special Tax and Establishing Specifications of the Election Order", Measure Q", which is Option A-1, with two changes to the wording of the Resolution as follows: 1) instead of levying a \$249 flat per parcel flat tax to scale, use the application of the tax consistent with the prior scaling used for Measures B and C; and 2) change the "trigger" language to refer to the *deficit factor* found in the "dartboard" [as provided by School Services of California], rather than as a cost of living adjustment.

The Board was polled and the motion passed as follows:

AYES: Monach, Gadbois, Tolles, Jones, Raushenbush
NOES: None
ABSTAIN: None
ABSENT: None

ADJOURNMENT

There being no further business, and with no objections by the Board, President Monach adjourned the meeting at 9:42 p.m.

RAY GADBOIS, Board President
Piedmont Unified School District
Board of Education

CONSTANCE HUBBARD
Secretary, Piedmont Unified School District
Board of Education