

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

MINUTES OF
Regular Meeting of the Governing Board

June 27, 2012

CALL TO ORDER	Board President Roy Tolles called the meeting of the Board of Education to order at 6:30 p.m.
ESTABLISHMENT OF QUORUM	President Roy Tolles; Vice President Rick Raushenbush; Board Members Ray Gadbois and Andrea Swenson were present. Board Member Sara Pearson was absent.
Adjourn to Closed Session	The Board adjourned to Closed Session at 6:31 p.m. to discuss: A. Public Employee Performance Evaluation: Superintendent (Government Code Section 54957)
Others Present in Closed Session	Superintendent Constance Hubbard
Reconvene to Regular Session	President Tolles called the Regular Session of the Board of Education to order at 7:10 p.m. and led the Board and audience in the Pledge of Allegiance.
Others Present at Regular Session	Superintendent Constance Hubbard Michael Brady, Assistant Superintendent, Business Services Randall Booker, Assistant Superintendent, Educational Services
Report of Action Taken in Closed Session	Superintendent Hubbard reported that the Board voted unanimously in closed session to release two temporary certificated employees.
Agenda Adjustments	None.
COMMUNICATIONS/ANNOUNCEMENTS	
Association of Piedmont Teachers (APT)	APT President Harlan Mohagen announced the results of APT elections. The newly elected Executive Board is Harlan Mohagen, President; Gabrielle Kashani, Vice President; Elise Marks, Secretary and Bill Marthinsen, Treasurer. The position of PMS Director is open, the PHS Director is Susan Simonds, the Elementary School Director is Denise Meredith from Havens, and the At-Large directors are Suzanne Latham, Wildwood, and Ellen Garrett, Beach. Every school is represented except PMS and that position will be filled. Ms. Mohagen noted a correction to the minutes for the 6-13-12 Board meeting. On page 5, the sentence reading "option 4... was a strong second with 74 votes." should read "option 4... was a strong second with 46 votes."
CSEA	None
Parent Clubs	None
Student Representative to Board	None

Persons Wishing to Speak to Any Item Not Listed on the Agenda None.

Superintendent Announcements Superintendent Hubbard announced that enrollment for elementary students new to the district will take place on Thursday, August 2, at Havens.

Board President Announcements President Tolles announced that this is his last meeting as Board President as he will be absent at the July 11th meeting.

REVIEW & ACTION ITEMS

Conduct Public Hearing; Adopt 2012-13 District General Fund Budget and All Budgets Operated by the District; and Adopt Resolution 12-2011-12, "Authorizing Year-End Budget Transfers"

1. Conduct public hearing regarding the District Budget General Fund and all other funds operated by the District; and adopt the District General Fund and all budgets operated by the District; and
2. Adopt Resolution 12-2011-12, "Authorizing Year-End Budget Transfers of Funds"

Districts are required to adopt their budgets prior to June 30 of each year for the next fiscal year whether or not the State has adopted its Budget. The State Legislature has met the constitutional deadline to pass a Budget, though disagreement between the Governor and the Legislature could result in either a veto by the Governor, or the Legislature could hold up numerous trailer bills (including those that affect education funding) until all budget differences are resolved. Consequently, the Piedmont Unified School District must present its Adopted Budget to meet the June 30th requirement without fully knowing the impact of the State Adopted Budget. The District will later present a revision to this Adopted Budget (called the Revised Budget) within 45 days after the final State Budget is signed by the Governor. The Revised Budget will reflect the information from the Approved State Budget and the year-end Financial Reports of the District (which are not fully determined until June 30th). The State of California's fiscal health remains uncertain, and the prospect of continued funding deferrals to education is likely. PUSD's Adopted Budget for Board review includes revenue limit and deficit factor assumptions shared among the Education Coalition, a collaboration of all major statewide education organizations and school districts in California. The Adopted Budget as presented takes a conservative approach with respect to expenditures (allowing for higher expenses) and a somewhat more neutral calculation of revenues (including categorical program Cost Of Living Adjustments, while excluding Revenue Limit COLAs in multi-year projections), but does not anticipate the full effect of mid-year "trigger cuts" should State-wide tax initiatives in support of education funding fail in November.

A Public Hearing is conducted in order for the Board to receive input on the budget. After the hearing, the Board is requested to approve the 2012-13 PUSD District Budget. Staff will submit all required documentation by the statutory deadline of July 1, 2012.

While this report includes Adult Education, Cafeteria, Deferred Maintenance, Capital Facilities, Building, Special Reserve - NODA and Special Reserve - Parcel Tax Funds, the emphasis will be on the General Fund. The General Fund is the most significant of the funds managed by the District because it represents the day-to-day operations of the District. It is the only fund that is not entirely restricted as to expenditures. Included is a chart that depicts the sources of revenues and expenditures for the General Fund, the Budget Adoption Calendar, enrollment projections and the multi-year projections for 2013-14 and 2014-15. The summary forms recap the information included in the Standardized Account Code Structure (SACS) format that is required by the State.

In addition to the assumptions included for each fund, it is important that the following trends affecting the budget are recognized:

- Programs included as essential by the PUSD Board of Education for Piedmont students' educational experience are maintained within the 2012-13 budget.
- Collective bargaining agreements are settled through June, 2014.
- Although the State has provided Cost of Living Adjustments (COLAs) to the Base Revenue Limit for the past three years, these adjustments have been effectively wiped out through increases in the deficit factor, which has gone from 7.844% in 2008-09 to 22.272% for 2012-13.
- The reserve level for economic uncertainty in the General Fund **meets the required minimum** of 3% for 2012-13 **if there are no mid-year "trigger cuts"** to public education. A \$1.25M shortfall in 2013-14 and an additional \$1.25M in 2014-15 must be addressed if no new State funding is received. The Adopted Budget, if approved as presented, would effectively eliminate all deficit spending in 2014 (less \$450,000 in savings no longer realized through furlough days).
- The reserve level for economic uncertainty in the General Fund **narrowly fails to meet the required minimum** of 3% for 2012-13 **if there are mid-year trigger cuts** to public education; however, the District will still end the year with a positive ending fund balance and has sufficient time to make adjustments for 2013-14 and beyond. A three-year balanced budget incorporating adjustments to the proposed Adopted Budget (shown with watermark: "November 2012") is attached for Board consideration, indentifying a reduction of \$3.5M in 2013-14 in ongoing expenditures, eliminating deficit spending in 2013 (less \$450,000 in savings no longer realized through furlough days).
- Flexibility with respect to categorical program spending restrictions has been extended through 2014-15, though State and federal support for public schools in California continue to fall well below levels funded in 2008.
- A deficit factor of **22.272%** is applied to the Statutory Cost of Living Adjustment (COLA) and continued reductions to categorical program funding since 2008-09 (including K-3 Class Size Reduction, Economic Impact Aid, School/Library Improvement, Instructional Materials, 7-12 Supplemental Counseling, Arts & Music Block Grant, and School Safety).
- The gap between increases in the operational cost of programs and a decrease in State funding has been narrowed by the support of the Piedmont community through renewal of the existing Parcel Tax, the Emergency Parcel Tax (which generated approximately \$1M over three years and has now expired), and additional donations and contributions from parent clubs and the Piedmont Education Foundation.
- Parcel Tax support has been an essential component of the District's revenue for the maintenance of programs for stu-

dents. It has grown from being approximately 11% of the District's total revenue in 1985 to 31.24% in 2012-13 from Measure B as approved by voters in June, 2009.

- Revenue from Measure B, approved by the Piedmont community by 78.4% and on June 2, 2009, is included as part of the multi-year projections at the 2012-13 rate without future increases. Measure B is scheduled to expire in June, 2014.
- Funds raised by Parent/Support Groups and the Educational Foundation to support programs remain an integral part of the District's budget, representing 6.83% of the total budget. The combined community support for the District budget in 2012-13 totals 38.07% of the total budget, or \$4,295 per student.
- District enrollment is increasing, and enrollment adjustments reflect an increase in base revenue limit for 2012-13 based on enrollment projected in 2012-13. Enrollment adjustments will be reflected in the Revised Budget.
- The 2008-09 budget Revenue Limit was \$14,744,395 (based on a 98% attendance rate for the 2552 students enrolled in 2007-08). The 2012-13 budget Revenue Limit is \$12,967,066 (based on a 96.3% attendance rate for the 2576 projected students enrolled in 2012-13).
- The Budget Advisory Committee consisting of representatives from all stakeholders in the District meets regularly to discuss the District Budget and provide recommendations to the Board of Education in the budget development process. The BAC members also report information on the budget back to their constituent groups.

Board Member Gadbois noted that step and column increases are built into the budget and the way we operate. These are offset in part by teachers who retire and are replaced by teachers lower on the pay scale. Assistant Superintendent Brady clarified that in the past we have assumed four certificated retirees with an average savings per retiree of \$18,000. This assumption is not built into the 2012-13 budget.

Board Member Swenson noted that raising our attendance rate from 96.5% to 98% would result in a substantial increase in our ADA reimbursement. Superintendent Hubbard has already raised this important issue with the Parent Club Presidents.

There was no public comment.

President Tolles agrees with the assumptions built into the budget; in the past few years the State has taken away the COLAs and State funding has remained flat. The current budget is a worst-case scenario assuming the Governor's tax initiative passes. The assumption of deficit spending in 2014 is reasonable and taking out furlough days would balance the budget.

Vice President Raushenbush noted that the issue is the decline in State revenue, not District expenditures. We have seen a decline in State revenues partially filled by local funds. Both he and Board Member Gadbois emphasized the importance of passing the Governor's tax proposal in November and renewing the parcel tax.

It was moved by Vice President Raushebush, and seconded by

Board Member Gadbois to adopt the District General Fund and all budgets operated by the District. It was approved unanimously. It was noted that Board Member Pearson is absent.

It was moved by Board Member Swenson, and seconded by Vice President Raushenbush to adopt Resolution 12-2011-12, "Authorizing Year-End Budget Transfers of Funds."

The motion passed as follows:

AYES: Tolles, Raushenbush, Gadbois, Swenson
NOES: None
ABSENT: Pearson
ABSTAIN: None

INFORMATION/ANNOUNCEMENTS

None

CORRESPONDENCE

Board Member Gadbois reported that the Board received an email from a past president of the Piedmont Soccer Club regarding unauthorized access to the soccer field. Vice President Raushenbush and the Athletic Director both responded to this email.

BOARD REPORTS

None

President Tolles attended the Men's College World Series in Omaha, Nebraska last week. He noticed the level of investment in the community and met a community member involved in development. President Tolles noted there was a culture of inclusion similar to Piedmont. Community members reach out to those who move in to involve them in community activities. This is all the more remarkable as this is a community of 800,000 with a similar high level of engagement.

CONSENT CALENDAR

Superintendent Hubbard clarified that the minutes to be approved are the corrected version and that Item E, the contract for moving Beach, and Item F, a contract for professional services, have been revised since the first version sent out. The dollar amount of the mover's contract has not been increased. All these changes are minor and what is posted for the public on the website is correct.

It was moved by Vice President Raushenbush, seconded by Board Member Swenson and passed unanimously to approve all items on the Consent Calendar as presented with the corrections as noted.

- A. Adopt Regular Board Meeting Minutes of June 13, 2012
- B. Approve Personnel Action Report
- C. Approve Warrant List Dated 6-21-12 for Goods and Services Rendered for April through June 13, 2012
- D. Adopt Resolution 11-2011-12, "To Transfer Categorical Funds to other District-Eligible Programs" Reviewed in Public Hearing Held at June 27, 2012 Board Meeting
- E. Approve Moving Solutions, Inc. for Moving Classroom Materials from "Beach-By-The-Bay" Emeryville to Beach Elementary in Piedmont for the Sum of \$17,602 (revised 6/25/12)
- F. Approve Agreement for Professional Services with Fagen Friedman and Fulfrost Law Firm to provide legal services effective July 1, 2012 through June 30, 2013, per the fee schedule provided (revised as of 6/25/12)

- G. Approve Agreement for Professional Services with Dannis Woliver Kelly Law Firm, to provide legal services effective July 1, 2012 through June 30, 2013, per the fee schedule provided
- H. Approve one Master Contract and one Individual Service Agreement with Behavioral Intervention Associates (BIA), to provide services for one student, effective July 1, 2012 through June 30, 2013, at a total cost not to exceed \$37,170.00. Funding: Special Education
- I. Approve one Individual Service Agreement with Behavioral Intervention Associates (BIA), to provide services for one student, effective July 1, 2012 through June 30, 2013, at a total cost not to exceed \$57,411.90. Funding: Special Education
- J. Approve one Individual Service Agreement with Behavioral Intervention Associates (BIA), to provide services for one student, effective July 1, 2012 through June 30, 2013, at a total cost not to exceed \$12,000.00. Funding: Special Education
- K. Approve one Individual Service Agreement with Behavioral Intervention Associates (BIA), to provide services for one student, effective July 1, 2012 through June 30, 2013, at a total cost not to exceed \$60,660.00. Funding: Special Education
- L. Approve one Master Contract and two Individual Service Agreements with Orion Academy to provide basic educational services for two students, effective July 1, 2012 through June 30, 2013, at a total cost not to exceed \$59,990.00. Funding: Special Education
- M. Approve one Master Contract and one Individual Service Agreement with Milestones, to provide services for one student, effective July 16, 2012, through April 19, 2013, at a total cost not to exceed \$7,754.50. Funding: Special Education
- N. Approve one Individual Contractor Agreement with Brenda Kangas, to provide Extended Year School Year (ESY) services to the district, effective June 18, 2012 through July 13, 2012, at a total cost not to exceed \$3,865.60. Funding: Special Education
- O. Approve one Individual Contractor Agreement with Racquel Huerta, to provide ESY services to the district, effective June 18, 2012 through July 13, 2012, at a total cost not to exceed \$3,720.64. Funding: Special Education

FUTURE BOARD AGENDA ITEMS

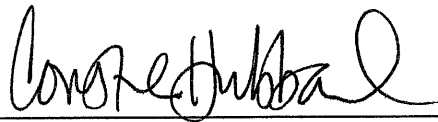
The July 11th meeting will include reorganization of the Board and committee assignments. Future meetings will include approved of the CSEA contract. There will only be one meeting in July and one in August. The revised budget will come before the Board in August and the 2011-12 Unaudited Actuals in September .A future topic might include clarification of earlier discussions regarding interdistrict transfers, and unauthorized use of the athletic facilities by unorganized groups who show up in large numbers.

- —→ SUBJECT TO CHANGE ←—
- Adopt Resolution to "Transfer Categorical Funds to Other District Eligible State Programs"- (June 13)"
- Increase in GMP for Beach Elementary School (June)
- Adopt Final 2012-13 budget (June 27)
- Review of Updated GASB Actuarial Report (June)
- Use of Athletic Facilities (TBD)
- Review and Approve Facilities Funding Agreement for Upkeep of City and School District Athletic Facilities ("Preservation Fund") (TBD)
- Uniform Complaint Form Board Policies (TBD)
- Conduct First Reading of Proposed Revised Board Policy 6146.1, "High School Graduation Requirements" (TBD)
- Conduct First Reading of Proposed Revised Board Policy 5144, "Discipline" (title to be changed to "Student Discipline") (TBD)
- Conduct First Reading of Special Education Board Policies (TBD)
- Review of Board Bylaws (Section 9000) (TBD)
- Technology Infrastructure and Modernization (TBD)

Adjournment

There being no further business, and with no objection by the Board, President Tolles adjourned the meeting at 8:31 p.m.

RICK RAUSHENBUSH, Board President
 Piedmont Unified School District
 Board of Education



CONSTANCE HUBBARD
 Secretary, Piedmont Unified School District
 Board of Education