



A CALIFORNIA DISTINGUISHED SCHOOL

**SPECIAL MEETING MINUTES
BOARD OF TRUSTEES
Tuesday, March 1, 2011
5:00 PM - Library**

I. PRELIMINARY

- A. Call to order 5:07 PM
- B. Roll call

Board Members Present

James Paleno	Allison Holdorff Polhill
Susan Frank	Wendy Hagan
Chris Lee	Jason Cutler
Naomi Norwood	Monica Iannessa
Stephanie Inyama	Lisa Kaas Boyle
Eleanor Rozell	

Board Members Absent

None

Non-Voting Board Member Present:

Shahin Mohammadi- Student

Officers/Senior Staff Present:

Michael A. Smith Marcia Haskin Greg Wood

II. PUBLIC COMMENT:

Non-agenda items: No individual presentation shall be for more than two (2) minutes and the total time for this purpose shall not exceed sixteen (16) minutes. Board members will not respond to presentations and no action can be taken. However, the Board may give direction to staff following a presentation. Use of names of individuals should be avoided when referring to accusations or wrongdoing (names should be presented to the Executive Director for follow-up action). Speakers may choose to speak during the public comment segment and/or at the time an agenda item is presented.

There were no public comments.

III. PRESENTATION ITEMS

- A. Presentation of 2011-2012 Budget Scenarios- Greg Wood (see meeting materials)
Greg Wood discussed the School Service of California's projections for the state educational funding for the 2011-2012 school year. He detailed the ramifications on the state's K-12 funding if Governor Brown's initiative to extend temporary tax

increases is put on the ballot and approved by voters, and if the tax extensions are allowed to expire.

If the temporary tax increases are extended, the School Service of California estimates that ADA per student will decrease by \$19 (-.3%) to approximately \$6,500. Under this scenario, Greg Wood estimates that 2011-2012 revenue would decline to approximately \$23 million from \$24 million in the current fiscal year. The loss of Federal Jobs funding (\$610,000), mandated costs (\$85,000), and a reduction of TIIG funding (\$109,000) due to the loss of one year of the magnet program make up the bulk of the difference. Under this revenue scenario, and using 2010-2011 expense levels, Mr. Wood estimates that PCHS will end the 2011-2012 fiscal year with a \$161,000 budget surplus.

If the temporary tax increases are not extended, the School Service of California estimates that ADA per student will decrease by \$330 (-5.7%). Including the loss of the Federal Jobs, mandated costs, and TIIG funding, 2011-2012 revenue is estimated to decline to \$22.2 million. Under this revenue scenario, and using 2010-2011 expense levels, Mr. Wood estimates that PCHS will end the 2011-2012 fiscal year with a \$723,000 budget deficit. The School Service of California expects if this worst case scenario occurs, the year following will not include another dramatic cut in funding.

Deadline dates for Reduction In Force (RIF) and other events were discussed. Faculty RIF notices must be issued on or before March 15th. They are finalized on May 15th though they can be rescinded at a later date. Classified RIF notices must be issued on or before April 15th (approximate). The Board has until May 30th (30 days notice) to give administrators/managers notice of non-renewal of their contract.

Greg Wood said that his expense projections used 2010-2011 compensation levels and furlough days. He detailed that each furlough day amounts to \$40,000 in certificated, and \$10,000 in classified employment cost savings.

Options under the deficit scenario listed above were discussed such as increasing class size (which is a negotiated ULA item). Since the school is already at maximum capacity, adding additional students is not an alternative.

IV. ACTION ITEMS

- A. Board Approval of Resolution #2010-2011-01 Authorizing a Reduction or Elimination of Certain Certificated Services –Michael Smith (see meeting materials)

Executive Director, Michael Smith explained that attorney correspondence recommended that Board members that are employees recuse themselves from discussion and action when their constituent group is discussed, taking a broad definition of conflict of interest.

(James Paleno, Chris Lee, and Wendy Hagan recused themselves)

Michael Smith discussed and recommended Resolution #2010-2011-01 for approval. This resolution calls for the reduction or elimination of certain certificated services (RIF) and includes 8 certificated positions as noted in Exhibit A-

Counseling- 1 FTE

English- 2 FTE

Foreign Language- 1 FTE

Math- 1 FTE

Physical Education- 1 FTE

Science- 1 FTE

Social Studies- 1 FTE

Errors on the Resolution were pointed out, namely it states County of Orange, and that this resolution passed at a regular (not special) board meeting.

Figures were shown that under the worst case budget scenario 55% of total expenses were allocated to faculty compensation. This was compared to the savings generated by the elimination of 8 certificated positions, which would more than fund the worst case budget deficit of \$723,000. Board members expressed a strong desire for the Budget & Finance Committee to focus considerable efforts to identify significant savings from areas outside the classroom, so that the RIF notices can be rescinded as soon as possible. Board members also felt it prudent, with the high level of budgetary uncertainty, to issue RIF notices to some members of the faculty. Classified and administrative/manager position reductions were not discussed at this meeting because their timing deadlines occur later.

Naomi Norwood moved that the Board adopt the proposal recommended by the Executive Director, Resolution #2010-2011-01, with corrected County, and states Special Board meeting. Lisa Kaas Boyle seconded the motion.

BOARD ACTION: MOTION PASSED

Yes – 6 (Lisa Kaas Boyle, Naomi Norwood, Stephanie Inyama, Jason Cutler, Eleanor Rozell, Monica Iannessa)

No – 0

Abstain – 2 (Susan Frank, Allison Holdorff Polhill)

Recused- 3 (James Paleno, Wendy Hagan, Chris Lee)

V. NEW BUSINESS

Add to the March 15, 2011 Board Meeting agenda and action item to direct the Budget & Finance Committee with presenting to the Board 2011-2012 budget recommendations under a variety of revenue scenarios.

At the March 15, 2011 Board Meeting discuss moving the early June Board Budget meeting until after the special election.

VI. ADJOURNMENT 6:30 PM

(Meeting materials can be found on the Pali High website, www.palihigh.org, under Governance, Board of Trustees, Agendas and Minutes, Material for Board Meetings)