

EAST SIDE UNION HIGH SCHOOL DISTRICT
Minutes of the Special Meeting of the Board of Trustees
Meeting Held at Education Center
December 14, 2004

- 1) The Regular Meeting of the Board of Trustees was called to order at 6:08 p.m. by President Herrera. Vice President Shirakawa, Clerk Martinez-Roach, Member Mann and Member Nguyen were present.
- 2) **PLEDGE OF ALLEGIANCE**
- 3) **WELCOME AND EXPLANATION TO AUDIENCE**
President Herrera extended a welcome to the audience, explained the format of the meeting, and noted that all Board Meetings are recorded.
- 4) **CONSIDERATION OF PROPOSED AMENDMENTS TO THE AGENDA**
There were no amendments to the agenda.
- 5) **PUBLIC MEMBERS WHO WISH TO ADDRESS THE BOARD OF TRUSTEES**
 - Frank Bieal – First Period Interim Financial Report
- 6) **OPERATIONAL ITEMS/BOARD DISCUSSION AND/OR ACTION**
 - 6.1 Approve 2004-2005 First Period Interim Financial Report
Presentation on the First Period Interim Report made by Chief Financial Officer Jack Mahrt.
Member Nguyen asked if the 03-04 supplemental hours amount is an actual amount to be reimbursed by the State.
Chief Financial Officer Jack Mahrt indicated that those are actual dollars the District will receive by the State.
Member Mann needed clarification that the \$4.6 million general reserve and the \$2.9 million ending balance, in order to make a positive report in the next reporting period, the District must make \$7.5 million in cuts. This must be done by March prior to the next interim report.
Chief Financial Officer Mahrt stated that, "Yes, this must happen by the next report."
Clerk Martinez-Roach asked why was the 10 additional days for the Counselors, Nurses and Psychologists not built into the budget.
Chief Financial Officer stated that it was missed.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

WELCOME AND EXPLANATION

CONSIDERATION OF AMENDMENTS

ORAL COMMUNICATIONS

OPERATIONAL ITEMS/ BOARD DISCUSSION AND/OR ACTION

Clerk Martinez-Roach also asked what is the Morgan Hart amount. Chief Financial Officer will get Clerk Martinez-Roach a copy of the Morgan Hart certification information. This was part of a series of questions that was provided at yesterday's Budget Task Force meeting.

Dr. Zendejas indicated that the second presentation will discuss the legal opinion on deferred maintenance, VTA land and the Quimby Land. The District does not see the assistance by Assemblymember Coto arriving by February 1 or March 15 or even by May.

Legal Counsel Ruiz stated that after his meeting with FCMAT Auditors and their general agreement to the District's approach to the VTA property proceeds and a portion of the Quimby property proceeds, the only caveat is that the District submit the issue for a legal opinion to the California Attorney General.

The second part of the presentation was made by Dr. Zendejas.

Superintendent Zendejas indicated that the District received a legal opinion that the District is able to use bond monies. The developer fees account must be paid back. A recommendation was made to move back 12 general fund teachers on special assignment back into the classroom. There are 12 plus vacancies currently filled by substitutes and teachers with temporary contracts. That would generate of savings of \$600,000. It was recommended that Library services be cut by 50% and that 10 Counselor positions be reduced.

President Herrera asked if these employees would still be employed by the District.

Superintendent Zendejas stated that, "Yes, they would. They cannot be terminated mid year. They would be shifted to vacant positions." Further recommendations include the Board to authorize \$5.2 million to be put into the general fund as a one-time. We would put it back into the developer fee fund. The privatization/outsourcing of food services was also recommended. They require a 60-day notice. Within a year there could be a savings of \$300,000. The heating of the pools will be shut off. They should only be heated during competitions or when required for the students. Based on a resolution at the last meeting for a reduction in classified service, there will be a savings of \$100,000 for a half year. There is a recommendation to reduce the legal fund by \$50,000. If the \$7 million can be reduced and offset the negative interim balance, by March 15 the District would be in a positive reporting with the County Office. The certificated employees who would be affected will not be affected economically, since the District cannot reduce their salaries.

Clerk Martinez-Roach asked why the after school transportation sports program was not considered.

Superintendent Zendejas indicated that it was. School is already in session and parents would be very upset if transportation is cut in the middle of the year for what they are expecting. That discussion is still in play for next school year. If we do something of that

nature, by May we will know and parents will be notified prior to the start of next school year.

Clerk Martinez-Roach asked about the duplication of services (copiers).

Chief Financial Officer Mahrt stated he met with a number of companies. The District is not looking at long-term leases. They are not buying any more copier equipment. There is a no cost study that will be performed.

Member Martinez-Roach will support the recommendation, but feels that there are other alternatives. In the event the District is able to save Counselors and Librarians, they should be added on. She would like the issue revisited.

Superintendent Zendejas indicated that all budgets, with the exception of the compensatory education budget, will have a 20% budget reduction. These are all budgets that are general fund. Many of our schools are out of compliance in terms of personnel being focused on the administering of Federal dollars as opposed to the delivery of service. We need to transition the schools back to an 85% service to students and a 15% to administering.

Clerk Martinez-Roach asked if with the 20% reduction there will be a safeguard that the classified staff are not the hardest hit.

Superintendent Zendejas indicated that the priority reductions will include classified and certificated managers. Eventually, some schools may need to reduce certificated and classified because we are out of compliance.

Member Nguyen asked if the District would be releasing 6 Librarians and 10 Counselors.

Chief Human Resources Officer Nuñez indicated that the staff employed on a day-to-day basis or long-term basis as a substitute or on a temporary basis would be the first to be released. The permanent employees would go into those positions. The District will be speaking with the Association with regard to the placement of the Librarians and Counselors and others to ensure they are appropriately transferred back to the classroom.

Superintendent Zendejas indicated that the changes should be completed by March.

Vice President Shirakawa is not convinced that this is the way it is to be done and that the District should hold out little longer, but he will support the recommendations. He feels that \$3.1 million dollars should not be transferred back to the general fund.

President Herrera indicated that he was surprised that the Board is requested to act on the recommendations today. He felt that the information should be first made public so that it could be understood and absorbed by the public and acting on it at a January meeting.

Member Mann indicated that the recommendations were not agendized, therefore, the Board is unable to act on the item until January. It should be agendized for January. It has been floated

appropriately as a sound proposal. If new information occurs between now and January 13, then the administration will bring those numbers back.

Dr. Zendejas indicated that the intent was to bring scenarios and recommendations to the Board. With a proposal the County would know that the District is serious.

Legal Counsel Ruiz stated that the agenda does not provide sufficient notice for action on the proposal and to continue it to the next scheduled meeting.

Member Mann indicated that he will not be supporting another parcel tax until it is proved to the public that they do right by the monies that have been entrusted to the District.

Motion to approve by Member Mann, second by Vice President Shirakawa. Vote: 5/0

6.2 Appointment of ESUHSD Representative to MetroEd

For the record, Member Martinez-Roach read a letter that was sent to six Superintendents to assist with the rotation of members who sit on the MetroEd Governing Board. The letter indicated that East Side, Saratoga and Santa Clara elect a representative on odd years to sit on a two-year term. Sections of the Board by-laws were read. She also reminded the Board that she finished Member Ota's term because he was not reelected as a Board Member. Clerk Martinez-Roach read her letter of formal filing of a public complaint, dated December 14, 2004, for the record, which is filed against President Herrera, Vice President Shirakawa and Member Nguyen for violating the Brown Act. Clerk Martinez-Roach is requesting Independent Counsel be appointed to represent her because she feels that her rights have been violated and there is a continued attempt to harass her. She does not feel comfortable with Legal Counsel Ruiz providing her an opinion on the matter since he is related to President Herrera. Her concerns have also been forwarded to Superintendent Zendejas with a request for a legal opinion. To-date she has not received a legal opinion. (Member Mann not present during the reading.)

President Herrera indicated that the Board would need to seek the advice of Legal Counsel on this matter.

Legal Counsel Rogelio Ruiz indicated that there is no action to be taken with the request at this time. The matter can be placed on the next meeting agenda and discussed as an action item. The complaint does not require action by the Board. The Board at this time cannot take action to appoint Independent Counsel to represent Clerk Martinez-Roach to investigate her complaint. It must be formally placed on the agenda.

Clerk Martinez-Roach stated that the appointment cannot be done at a Special Meeting; it must be done in December.

President Herrera indicated that the Board is not bound to the December 2 meeting to make the appointment. The Board can take

action as noticed or carry it to the meeting in which they will also formally act on the request filed on record by Clerk Martinez-Roach. There is ample room for the Board to designate its representatives or to remove and then appoint a replacement.

Vice President Shirakawa stated that the Board has the right to assign Members different duties. Secondly, it is important for the rotation of duties so that all Members can get the experiences.

Motion by Vice President Shirakawa, second by Member Nguyen to nominate Craig Mann for ESUHSD MetroEd Representative, Vote: 4/0, 1 Abstention by Clerk Martinez-Roach

7) **BOARD OF TRUSTEES/SUPERINTENDENT'S COMMENTS**

7.1 Board of Trustees: None

7.2 Superintendent: None

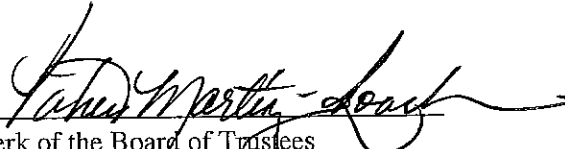
ADJOURNMENT

On motion by President Herrera, second by Member Mann the meeting was adjourned at 7:50 p.m.

**BOARD/
SUPERINTENDENT'S
COMMENTS**

ADJOURNMENT

Respectfully submitted,


Clerk of the Board of Trustees