

**MINUTES OF THE SPECIAL MEETING/WORK SESSION TO PRESENT BUDGET REDUCTION
RECOMMENDATIONS FOR BALANCING THE 2013-2014 BUDGET**

AND;

**TO CONVENE A SPECIAL MEETING/EXECUTIVE SESSION IN THE SUPERINTENDENT'S OFFICE
TO DISCUSS NEGOTIATIONS PER IDAHO CODE 67-2345 (1) (c) *To conduct deliberations
concerning labor negotiations; and IDAHO CODE 67-2345 (1) (b) *To consider the evaluation,
dismissal or disciplining of, or to hear complaints or charges brought against a public officer,
employee, staff member or agent;****
(Action to be Taken on Personnel in Open Session)

**POCATELLO/CHUBBUCK SCHOOL DISTRICT No. 25
BOARD OF TRUSTEES**

**Board Room at the Education Service Center
Tuesday, May 7, 2013
8:30 a.m.**

BOARD MEMBERS/SUPERINTENDENT PRESENT:

Janie Gebhardt, Chair

Jim Facer, Member

John Sargent, Vice Chair

Paul Vitale, Member

Jackie Cranor, Clerk

Mary M. Vagner, Superintendent

OTHERS PRESENT:

Bart Reed, Director of Business Operations

Carl Smart, Director of Employee Services

Jeff Corrington, Budget Committee Member

Wendy Shelman, Budget Committee Member

Mark Kelley, Budget Committee Member

Rena Johnson, Board Secretary

Welcome, Call to Order and Statement of Purpose

Chair Gebhardt welcomed everyone and called the Special Meeting/Work Session to order at 8:34 a.m. She said the purpose of the meeting was to consider budget reduction recommendations for balancing the 2013-2014 budget and to convene a Special Meeting/Executive Session for the purpose of discussing negotiations and a personnel matter.

Introduction of Budget Committee

Mr. Smart introduced Jeff Corrington and Wendy Shelman from the Budget Committee; he said Ms. Shelman would arrive shortly. He said Mr. Sargent and Ms. Cranor were also members of the Committee.

Budget Reduction Recommendations for Balancing the 2013-2014 Budget

Mr. Smart reviewed the State Distribution Factor history. He said the state valued one unit at \$20,000. He said the last time a unit was valued at \$20,000 was in 1997. He said that equated to \$172,000 for the District. He said the District had sustained \$3.5 million in budget reductions since 2009. He reviewed the state's Base Salary History. He said there were three categories for funding: administrative, certificated and classified. He said the base salary for an administrator had not changed since 2001. He said the state restored the 1.67% that had been taken out of 2012 and 2013 but the base had not changed and was the lowest it had been since 2001. He said the state increased the base for classified employees recently and had increased the minimum salary for a starting teacher, but did not increase the base. Mr. Reed said the 2.25% increase was earmarked for technology and differential pay. He said the increase did not give Districts the flexibility they needed. He said that even with an increase to the District's Supplemental Levy, the District was still \$2.6 million over budget. He said the Board previously set aside money to help cover any shortfalls. He said the Board approved the use of 60% of the set-aside funds which left \$1.4 million to cut from the budget. He said the administration worked very hard to lessen the impact to core instructional areas. Ms. Vagner said only \$800,000 remained in the set-aside budget for balancing for the

2014-15 school year. She said the administration worked through the budget to identify any areas that could be cut that had the least impact to the classroom. She said the team began with the District's vision and mission in mind. She said the administration had approached budget reductions like peeling an onion, but all of the outside layers had already been peeled over the last four years of reductions and quickly reached the core this year. She said the first area identified for cuts was to technology including Lexia, SIF agent, Adobe licensing and Infinite Campus training. She said the reduction to Lexia was for the second year which the District could not afford at this time. She said Mr. Wegner originally requested \$400,000 to support the implementation of the Common Core and that request was reduced by \$200,000. She said curriculum also requested to restore \$11,000 to each of the high school textbook accounts for a total of \$33,000 which was denied. She said the classified reductions were identified in general terms because supervisors had not had a chance to communicate with the affected employees. She said the reductions amounted to \$125,000. She said some of that amount was discretionary but the remainder affected positions. She said there would be a position reduction in maintenance and operations. She said the administration would bring back an outline of the restructure in that department. She said District office had already combined the secretarial responsibilities of the secondary and PTE departments and further restructuring would save \$53,000. She said after those areas were reduced the administration knew it had reached the core of the instructional program. She said the core reductions identified had the least negative impact to class size. She said the first area identified was to shift the remaining percentage of the Title I Coordinator's salary out of the general fund and pay for it completely out of Title I funds. She said the Washington Elementary principal accepted a job in another school district and the new principal would take over the duties of the interventionist who was retiring. Mr. Reed said the new principal's salary would be split between Title I and the general fund. Ms. Vagner said being a principal of a smaller school allowed for more time to take on those duties. She said another area identified for reductions was funding for middle school teachers who were paid for bus duty. She said elementary and high school teachers were not paid for bus duty. She said extra days for the counselors at the high schools were restored with Jobs Bill money and the counselors knew that the District may not be able to continue the expense. She said the reduction of extra days would not affect the New Horizon Center. She said the next recommendation was to eliminate the .5 counselor position at Highland High School. She said the District's media distribution center was housed at Pocatello High School and was run by a part time aide that managed materials distribution. She said the recommendation was to close the distribution center and eliminate the part-time aide position due to the low volume of materials distributed each year. She said materials would be distributed to teachers that would use them. She said the media specialist at Pocatello High School was paid a stipend to oversee the program, which would also be eliminated. She said most teachers utilized the internet for video resources which were more current than the VHS videos housed in the distribution center. She said the next recommendation was to eliminate two of the District's Media Center Specialists. She said each of the specialists received 10 extra days which would be eliminated with the positions. She said the remaining media specialist would retain the 10 extra days. She said one of the media specialist positions would be handled through attrition. She said the remaining specialist would become a District-wide consultant responsible for maintaining the collection and training aides. She said the administration would recommend the Board backfill three .5 media center clerks to be housed at the high schools. She said the next recommendation was the elimination of three elementary PE specialists and absorb PE as part of the classroom duties. She said one of the PE specialists was retiring which left three Category A PE teachers. She said the PE teachers would slot into the Category A teaching positions and teach at the middle schools. Ms. Cranor asked if that meant there would be no PE at all. Ms. Vagner said the PE program would be restructured so teachers would have time to include it during the instructional day. She said the next recommendation was to eliminate three counseling clerk positions. She said counseling clerks were eliminated four years ago and were restored with Jobs Bill money and were then shifted to the middle schools when middle school counselors were eliminated. She said the counseling clerk duties would be split between the two remaining secretarial positions at the middle schools. She said the next recommendation was to eliminate two secondary FTE that had low student contact numbers. She said one was in math and the other in English. She said the Board recently entered into a contract with ENA. She said ENA would do the e-rate filing and would keep the reimbursement because of the upfront discount it would give to the District. She said previously the e-rate reimbursement went to School Plant Facilities funds but with one reimbursement left it could go to the general fund. She said funding for the media center clerk and extra-curricular stipends was not included in the Alameda Middle School cost projections and would be added to the general fund budget. She said it was shown as

a cost increase on the budget document. She said the total proposed reductions equaled \$1.5 million with a return of \$55,000 for the Alameda Middle School costs. She said that would leave \$39,500 to return to the general fund. She said the District had been able to staff Alameda Middle School without an increase inclusive of elective teachers which was not expected. Ms. Cranor asked if the three PE specialists would be moved around or if they would be out of a job. Ms. Vagner said the PE specialists would be moved to a middle school slot. She said the administration talked to each of the affected staff members. She said the reality was that there was no expectation of continued employment for Category A teachers and there was no RIF. Ms. Cranor asked if that meant the middle school Category A teachers would be eliminated. Ms. Vagner said yes. Ms. Cranor said she was totally against eliminating the three PE specialists and putting the responsibility on teachers. She said the Budget Committee knew reductions were needed but believed the District Office was top heavy in some areas. She said the committee talked about eliminating some positions at the District Office that other Districts did not have. She said there were two people in curriculum and a position for safety. She said she expected the committee to bring it up and said she had not had a chance to look at what other Districts had to compare. Ms. Vagner said the administration discussed the recommendation from the Budget Committee. Ms. Cranor asked if there was any way to combine any more duties at the District Office. Ms. Vagner said the administration discussed combining the elementary and secondary secretary duties but both of those jobs were too big for one person. She said safety and student discipline duties were already combined into the elementary and secondary secretary's responsibilities. She said there used to be two separate positions for those duties. She said the District had safe environments in the schools because there were people assigned to pay attention to those areas. She said in the curriculum department, assessment was a very demanding job and would only become more demanding with the implementation of the new assessment in 2014-15. She said many other Districts had three people assigned to that department for curriculum, assessment and staff development. Ms. Cranor said she had not compared the District Office positions to other Districts. Mr. Reed added the District's administrative staff was understaffed by 5% which was far more than either the certified and classified staff. Ms. Cranor said she just knew how much kids looked forward to PE time. Ms. Vagner said the District did not replace the assistant principal at New Horizon Center. She said the legislature allowed Districts to understaff teachers at 9%. Mr. Smart said the state allocated 44 administrative FTE. He said based on current staff and this proposal the District would be understaffed by 11.4% for administrators which was lower than in the past. He said there was no restriction from the state on the level of understaffing for the administrative or classified categories. He said the District was only understaffed by 1.95% for certificated staff which was much lower than the 9% allowed. He said the District was understaffed by 8.09% for classified. Ms. Vagner said the Board had a very tight timeline in which to balance the budget. She said that was a result of the legislature taking so long to finalize the education budget. She said the Board would be given a line item budget next week and would have to hold due process hearings for the proposed reduction in days. She said the administration hoped to have letters of intent ready for distribution on the 21st following Board action. She said the administration only had two weeks to get direction from the Board and finalize a balanced budget for Board consideration. She said the last day for teachers was May 23rd. She said principals had one week for elementary and two weeks for secondary after school was out. She said there was a lot of attrition and movement and principals were eager to get people hired. She said there were still a lot of decisions and restructuring to take care of once the Board made a decision on a very tight timeline. Mr. Facer asked how many positions would be lost. Ms. Vagner said the District handled staffing Alameda Middle School through attrition and any continuing contract positions cut were being placed back in schools which left five teaching jobs that would be lost. Mr. Smart said some positions could still open up and those people would be given first consideration. Ms. Vagner said the District was holding available positions for any of the proposed reductions, depending on the action of the Board. Ms. Cranor said she knew the administration worked very hard to look at every area for elimination but she could not personally agree with the elimination of elementary PE. She said it would have a huge impact on children and she could not do it on a moral or personal level. Ms. Vagner said the administration was not proposing to eliminate elementary PE but they were restructuring who would be responsible. Ms. Cranor said she knew what that would do and teachers would not be able to do it the same. Mr. Sargent asked if the reduction in technology staff would be from the District Office. Ms. Vagner said it would be split between the District Office and the building technicians. She said Mr. Jolley was working on the plan for restructuring but was not ready. She said the expectation for service would remain the same but would take a little longer to get done. Mr. Sargent asked if the upkeep of buildings would be affected by the reductions to maintenance and operations. Ms.

Vagner said yes it would impact the level of upkeep and cleanliness and there would be a lowered level of expectation. She said she was grateful the District was not in the same position as Idaho Falls who had to cut over \$4 million. She said Coeur d' Alene was cutting \$3 million and Nampa had to cut \$6.5 million. She said she knew the PE specialist issue was a problem for Ms. Cranor but there was a gap where the specialists could not instruct children and their time was not maximized. She said there was no space during lunch and bigger schools had multiple lunches which took more time. Ms. Cranor asked if their time or location could be restructured. Ms. Vagner said it already took two weeks to get to each of the schools for only 30 minutes of instruction.

Board Discussion and Solicitation of Input from the Budget Committee

Mr. Smart said the Budget Committee had some discussion last week. Ms. Shelman said she was speaking from personal experience. She said the legislature started attaching strings to District budgets because District accounting departments had slush funds. She said the legislature did not like how well Districts were managing their money. She said this School Board and administration had very good money management and were the best at shuffling funds which was frustrating because it made the District a poster child for what the legislature did not want which was why it kept cutting District budgets. She said purchasing the Stocks Building in this economic crunch was another example of showing the legislature we were still doing okay while other Districts were struggling. She said from a teacher's point of view and one of the things she struggled with was the District sitting sweet with the amount in the District's fund balance and \$800,000 left over in the set-aside account. She said teachers felt like they were getting punched over and over by the administration and the legislature. She said her advice was to spend all of the reserves including the \$800,000 set-aside and show the legislature what dire need the District was in. She said the District blamed the legislature but was the model for why the legislature was doing what they do. She said she recognized the value of each of the positions in the District Office and would never say any of the people were not doing their jobs or not doing a good job, but if she was looking at the least impact to the classroom, there was less of an impact from cutting at the District Office than there was from cutting at the schools. She said teachers were worried about higher class size. She said the District was already in violation of Board policy because teachers were not given aides for a class with over 25 children. She said the Budget Committee only discussed eliminating positions at the District Office because it was the furthest away from kids. Ms. Gebhardt said the legislature had increased the amount of reporting required of Districts and the administration had eliminated and combined positions at the District Office already on top of increased workloads. Ms. Cranor said she agreed but that had happened across the board. Mr. Reed said it was important to clarify that the District had been able to accomplish some remarkable things with remodeling the Stocks Building and renovating Alameda Middle School. He said another important thing to remember was that the funds used to accomplish those things came from the School Plant Facilities funds which could not be used to pay for teachers or positions. He said there was no impact to teachers or class size and only served to create more space. He said the only way the District was able to get additional funds for discretionary or teacher salaries was by going to the local tax payer. Ms. Vagner said the administration valued the Budget Committee process and weighed suggestions before taking any recommendations to the Board. She said the Board was being asked to digest the suggestions and recommendation and get back to the administration with any further direction prior to a final recommendation for action. She said having the ability to tell teachers they had a job was the most critical element at this time. She said the administration needed time to get everything lined up and advertise the budget. She said the administration was prepared to send out information to fully inform staff of the recommendations. She said after the Budget Committee convened the District would send a press release. She said the Board was scheduled for public comment on the budget at the next Board meeting which would still have to be considered. Ms. Cranor said it seemed like it was the elementary schools that kept getting cut. She asked why the District couldn't consider cutting a foreign language at the one of the high schools. She said elementary teachers didn't get prep time like high school teachers did. Ms. Vagner said elementary teachers had prep time but was structured differently from the high schools. Mr. Vitale asked if there was some creative way to approach the PE problem. Ms. Cranor said elementary teachers would just die when they heard about PE going away. Mr. Vitale said there were still options for the PE program to be maintained without paying a specialist to do it. Ms. Vagner said the elementary principals and Dr. Mortensen would be responsible to figure out how to make PE work. Ms. Cranor said she felt like it always came down to elementary and believed the Board should find some way to maintain the elementary PE specialists even if it meant cutting from somewhere else. Ms. Vagner said

when the Board made significant reductions in the past it came from the middle schools and this year the positions were eliminated from the high schools with low class enrollment. She said all of those reductions were used to staff Alameda Middle School which would have meant bigger reductions if the District had been unable to fill those positions staff neutral. She said high school principals would say they had the biggest hit. She said the District was not ready to restructure the high schools and there was nothing left on the outside of the onion. She said it was evident where the District would have to start next year and would most likely not be able to protect class size if things did not improve. Ms. Gebhardt said in looking at the big picture and what the District could have had to cut it was not reducing very many positions. Ms. Cranor said the proposal would eliminate a whole program. Ms. Vagner said the program was not being eliminated but was being restructured and shifting responsibilities. She said she had been an elementary teacher and would rather be responsible for teaching PE than having a higher class size. Mr. Smart said the Budget Committee had many creative suggestions including using School Plant Facilities funds to pay for Holt Arena and asked if the Varsity Services were really necessary. Ms. Vagner said when the Board increased participation fees a couple of years ago it expressed the desire to maintain a 60/40 split. She said the administration was conducting an analysis of those funds and would bring a summary to the May 21, 2013 Board Meeting. She said the administration would not bring any recommendation on extra-curricular funding until the data was finalized.

Provide Any Direction to the Administration

Ms. Vagner said based on the discussion the administration would prepare further options for Board consideration inclusive of an option for retaining the elementary PE specialists.

Adjourn Special Meeting/Work Session

Chair Gebhardt adjourned the Special Meeting at 9:50 a.m.

Convene Special Meeting/Executive Session in the Superintendent's Office to discuss Negotiations in Accordance with Idaho Code 67-2345 (1) (c) To conduct deliberations concerning labor negotiations; and, Idaho Code 67-2345 (1) (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against a public officer, employee, staff member or agent;

Chair Gebhardt called the meeting to order at 9:54 a.m. A motion was made by Mr. Sargent and seconded Mr. Vitale to adjourn to Executive Session. The roll call vote was unanimous in the affirmative: Mr. Facer, aye; Mr. Sargent, aye; Mr. Vitale, aye; Ms. Cranor, aye; Ms. Gebhardt, aye. The Board adjourned to Executive Session at 9:54 a.m.

Return to Open Session – Take Action on Personnel

The Board returned to Open Session at 10:16 a.m. A motion was made by Ms. Cranor and seconded by Mr. Facer that the Board of Trustees remove **Employee Docket No. 13-04**, a certificated professional employee of the District, from a period of paid suspension as recommended by the District's Superintendent. The voting was unanimous in the affirmative.

Adjourn

A motion was made by Mr. Facer and seconded by Mr. Vitale to adjourn. The voting was unanimous in the affirmative. The Board adjourned at 10:17 a.m.

APPROVED ON:

By: July 16, 2013

Janie Gebhardt
Chair

MINUTES PREPARED BY:

[Signature]
Secretary, Board of Trustees

ATTESTED BY

[Signature]
Clerk