

BERKELEY UNIFIED SCHOOL DISTRICT

UNOFFICIAL MINUTES

MINUTES, REGULAR MEETING

September 14, 2005

Wednesday, District Administrative Offices

2134 Martin Luther King Jr. Way

Berkeley, CA 94704-1180

**CALL TO ORDER**

President Nancy Riddle called the meeting to order at 7:00 p.m. and the Board recessed to Closed Session at 7:05 p.m.

**ROLL CALL**

**MEMBERS PRESENT**

President Nancy Riddle

Vice President Terry Doran

Director John T. Selawsky

Director Shirley Issel - absent

Director Joaquin J. Rivera

Student Director: Teal Miller

Administration: Superintendent Michele Lawrence, Secretary

Prior to Closed Session, as necessary, staff/employee comments are taken per Government Code Section 54957. No one addressed the Board at this time.

Recess to Closed Session (Government Code Sections 3549.1(d), 54956.9(a) and 54957 and Education Code Section 49819(c))

- a. Conference with Legal Counsel – Existing Litigation
- b. Consideration of Student Expulsion
- c. Collective Bargaining
- d. Public Employee Discipline/Dismissal/Release
- e. Public Employment Appointment
- f. Liability Claims
- g. Property Acquisition

**Reconvene in Public Session**

The Board reconvened in Public Session at 7:30 p.m.

**Report Closed Session Action**

President Riddle reported the following:

Public Employee Discipline/Dismissal/Release:

No actions to report.

### **Approve Agenda**

That the regular meeting Agenda of September 14, 2005 was approved

**Motion:** Selawsky/Rivera and unanimously approved on voice vote

### **Public Testimony**

None

### **REPORTS**

**Superintendent's Report** Superintendent Lawrence reported that the District is currently 26 students over its projected enrollment. She is continuing to visit schools and hopes to have met with all school staff by November 1. By Staff Development day on October 10, she will have met with at least half. The Superintendent also plans to meet with site councils and committees. The opening of school has happened smoothly with only a few obstacles caused by extenuating circumstances, such as families arriving from hurricane-stricken states.

**Student Director's Report** Student Director Miller said that everyone is getting settled in at BHS.

**Vice President Doran** Vice President Doran noted that from what he has been told and what he has observed, everything seems to be running smoothly.

**Directors Rivera & Selawsky** Nothing to report.

**President Riddle** President Riddle announced a 2x2 Committee Meeting on September 16 at 8:30 a.m. in the Redwood Conference room on the sixth floor at 2180 Milvia Street. Topics to discuss will include the issue of resources officers leaving and the possibility of a joint school board and city council meeting.

Riddle also thanked the Berkeley Public Education Foundation for a lovely principal's reception held last Friday night. She also attended a meeting of the Peace & Justice Commission to give her new representative, a high school freshman, support.

### **ACTION ITEMS**

#### **Item 4.1-A 2004-05 Unaudited Actuals**

Report on 2004-05 Unaudited Actuals Presented by Deputy Superintendent Eric Smith and Director of Fiscal Services Song Chin-Bendib.

The Unaudited Actuals are the District's 'books' for 2004-05 as they are before being submitted to auditors. This includes the General and all other associated funds. They are in SACS form and spreadsheets detailing various longitudinal trends have been appended to them. Copies are available upon request.

Director Chin-Bendib reported that the District's Unrestricted General Fund reserve requirement is short by \$1.4 million, but notes that significant one-time expenses, may be mostly responsible. Director Rivera pointed out that even if the deficit is due to significant one-time expenditures, then that much more will be necessary to meet the reserve requirement in the future.

Rivera also asked about the \$312,000 Special Education (SPED) spent in excess of third interim budget projections and Song ascribed that to SPED having started to assume transportation costs. At the time projections were made, there were no data with which to make a projection. The Transportation budget was decreased by the amount SPED took on for transportation purposes.

Director Chin-Bendib noted that there is \$341,000 of carryover in the Child Development Fund, but that this is not reflected in the report due to the way the State requires actuals be reported.

President Riddle asked if the Franklin Preschool program, an extension of the Child Development Fund, broke even. Director Chin-Bendib answers in the affirmative.

Fiscal Services Director Chin-Bendib described how the General Fund contributed to the Cafeteria Fund through an interfund transfer of \$779,796.43. An important issue is that the District continue to not transfer meals for the needy to this fund.

President Riddle then asked why actual Student Meals and a La Carte revenue, \$315,000, fell short of the third interim projection of \$400,000. Fiscal Services Director Chin-Bendib answered that the former Nutritional Services Director over-budgeted the number of meals served at the high school, estimating 600 when the actual figure was 400.

As Fiscal Services Director Chin-Bendib mentioned, the Total Funds, which are the combined Restricted and Unrestricted General Funds, Deputy Superintendent Eric Smith noted that for 04-05, the reserve requirement was 1.5 percent because of the law, but this is the last year the reduced percentage is allowed. Next year, the requirement will be three percent. Reaching this requirement will be achieved through expenditure reductions and revenue enhancements in 2005-06. Deputy Superintendent Smith emphasized that the District must be conscious of this during this and the next fiscal year.

Deputy Superintendent Smith also noted a larger balance in the Adult Education Fund than was expected.

Deputy Smith then brought up self-insurance issues that have only recently come to his attention. Last year a liability of \$575,000 for incurred but not reported (BNR) claims for property and liability was mistakenly set up in workers compensation. Although the change has no effect to fund balance,

staff has corrected the entry to make sure that it is properly recorded on our books.

Another workers comp issue is that claims are starting to outstrip premiums, and will probably continue to trend up. Smith explained that the reason is because premiums are linked to the payroll tax but that payroll taxes are being shortchanged by categorical carryovers or restricted funding sources being expensed out of payroll. This results in less taxable payroll and then lower premiums. Smith is investigating the issue further.

Vice President Doran asked when the liability/workers comp mistake will be correctly reflected and Smith replied that he will take to the auditors and that it will be corrected in the first interim.

Riddle expressed her concerns about workers comp, to which Smith responded by saying that, in his mind, going to self insurance was always a bridge. He hopes to move to a joint powers authority (JPA) in the future in order to share risk, and he is in the process of getting JPA quotes.

**Motion:** Rivera/Selawsky and unanimously approved on voice vote

**Item 4.2-A Gann Limit**

Deputy Superintendent Eric Smith described the Gann limit as something that has to be done on annual basis. A measure intended to reduce government waste, the Gann Limit really has no bearing on District operations, but as a constitutional requirement, Gann Limit reports must be filed.

**Motion:** Rivera/Selawsky and unanimously approved on voice vote

**EXTENDED PUBLIC TESTIMONY**

None

**ANNOUNCEMENTS**

None

**ADJOURNMENT**

President Riddle declared the meeting adjourned at 8:19 p.m.

**APPROVED:**

**ATTEST:**

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President, Board of Education  
Berkeley Unified School District

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Secretary, Board of Education  
Berkeley Unified School District