



William S. Hart Union High School District
Special (Virtual) Meeting of the Governing Board
June 03, 2020
8:00 a.m.

Minutes
Unapproved

I. Call to Order

The Special Meeting of the William S. Hart Union High School District Governing Board was called to order by Dr. Moore at 8:08 a.m.

II. Roll Call and Establishment of Quorum

Board Members present:

Mrs. Linda H. Storli, President (arrived 8:19 a.m.)
Dr. Cherise G. Moore, Clerk
Mr. Joseph V. Messina, Assistant Clerk
Mr. Steven M. Sturgeon, Member
Mr. Robert N. Jensen, Jr., Member

District Administrators present:

Mr. Mike Kuhlman, Superintendent
Dr. Michael Vierra, Assistant Superintendent, Human Resources
Mrs. Kathy Hunter, Assistant Superintendent, Educational Services
Mr. Ralph Peschek, Chief Business Officer
Dr. Collyn Nielsen, Chief Administrative Officer

The President declared a quorum present.

III. Pledge of Allegiance

Dr. Moore led the Pledge of Allegiance.

IV. Approval of Agenda

Motion Passed: Approve the agenda. Passed with a motion by Mr. Robert Jensen and a second by Mr. Steven Sturgeon.

Yes Mr. Robert Jensen

Yes Mr. Joseph Messina

Yes Dr. Cherise Moore

Absent Mrs. Linda Storli

Yes Mr. Steven Sturgeon

V. Public Comments for Special Items

There were no public comments.

VI. Special Items

VI.A. Initial Bargaining Proposal from the William S. Hart Union High School District to the Hart District Teachers Association for the 2020/21 School Year

Dr. Vierra said the initial bargaining proposal from the William S. Hart Union High School District to the Hart District Teachers Association for the 2020/21 school year has been available for review on the District website since June 1. A copy of the proposal is attached to the agenda of this meeting.

VI.B. Initial Bargaining Proposal from the William S. Hart Union High School District to the California School Employees Association Chapter 349 for the 2020/21 School Year

Dr. Vierra said the initial bargaining proposal from the William S. Hart Union High School District to California School Employees Association Chapter 349 for the 2020/21 school year has been available for review on the District website since June 1. A copy of the proposal is attached to the agenda of this meeting.

VI.C. Budget Study Session

Mr. Peschek explained that the District is facing challenging times. The governor's May budget revise includes over \$14 billion in cuts to education funding. Under the governor's plan, cuts would be restored if the federal government provides emergency funding for school districts. The state senate proposal would hold districts harmless through additional state borrowing and \$5.3 billion in multi-year deferrals, which would cause deferrals of payments to school districts.

He reviewed second interim budget projections and said the Cost of Living Adjustment (COLA) proposed in January is not enough to cover increases to retirement contributions, step and column increases, additional health and welfare costs, and operational cost of living increases. He said the Hart District has experienced budget deficits for a number of years, and has dipped into reserves, which are quickly dwindling. He reviewed projected budget balances over a four-year period that show negative balances in year three and four.

Mr. Peschek said staff has been looking at ways to find efficiencies and a previous budget study session was held in October. He described identified reductions across all three employee groups and other expenditure reductions and said there will also be a five percent blanket reduction to all programs. He reviewed potential revenue sources and explained how the reductions and revenue sources affect the budget projections. He described the impact the governor's proposed budget would have and said it would result in a \$32 million budget deficit in 2021/22 and a \$72 million deficit in 2022/23.

He said whichever state budget model prevails, the District has a systemic budget problem and additional efficiencies or additional revenue resources need to be identified. He reviewed new proposals for revenue sources and expenditure reductions. He mentioned that the governor's proposal includes a one-time opportunity to sell surplus District property allowing the monies to be placed in the general fund. He explained that there are plans to implement some of the program reductions and others will need more discussion with the Board. Mr. Jensen said he would not like to see the athletic trainer program eliminated entirely. Dr. Moore suggested waiting to implement the Career Technical Education credentialing program until the economy recovers. Mr. Messina suggested looking into consolidating services among local school districts.

Mr. Peschek reviewed additional suggested reductions and staffing efficiencies resulting in much smaller negative balances in 2021/22 and 2022/23 and said these reductions would address ongoing budget issues pre-COVID 19 crisis and some of the challenges from the governor's proposal. The last scenario Mr. Peschek presented describes the impact to the budget if it becomes necessary to propose reductions beyond these and the class cap is increased. Mr. Messina pointed out that the requirements for re-opening schools are changing daily, which will affect numbers. Mr. Peschek said budget projection numbers do not account for any Average Daily Attendance (ADA) losses. Mr. Sturgeon mentioned the urgency regarding 2020/21 negotiations since those numbers will affect the budget.

Mr. Peschek explained that traditionally hearings would be held on the budget and Local Control and Accountability Plan (LCAP) on June 10, with adoption planned for June 17. This year the state has waived the LCAP requirement and will require an alternative document. Staff will bring the budget and alternative LCAP report for approval on June 30. A copy of the presentation is attached to the agenda of this meeting.

VII. Adjournment

Motion Passed: Adjourn the meeting at 10:37 a.m. Passed with a motion by Mr. Robert Jensen and a second by Dr. Cherise Moore.

Yes Mr. Robert Jensen

Yes Mr. Joseph Messina

Yes Dr. Cherise Moore

Absent Mrs. Linda Storli

Yes Mr. Steven Sturgeon

Respectfully submitted,

Linda H. Storli, President

Cherise G. Moore, Clerk

Approved and entered into the proceedings
of the District:

Date