

San Bernardino City Unified School District

Minutes of a Special Meeting of the Board of Education

**MINUTES
ADOPTED
3/16/10**

Community Room
Board of Education Building
777 North F Street
San Bernardino, California

February 9, 2010

5:30 p.m.

Present: President Danny Tillman; Vice President Barbara Flores; Board Members Teresa Parra Craig, and Elsa Valdez; Superintendent Arturo Delgado; Deputy Superintendent Judy White; Chief Business and Financial Officer Mohammad Islam, Associate Superintendent Mel Albiso, Assistant Superintendents Dayton Gilleland, Yolanda Ortega, John Peukert, Paul Shirk, and Harold Vollkommer; and Superintendent's Assistant Phyllis Gronek. Minutes recorded by Administrative Assistant Jennifer Owens.

Absent: Board Members Louise Ayala, Judi Penman, and Lynda Savage

SESSION ONE - Opening

1.0 - Opening

1.1 - Call to Order

President Tillman called the meeting to order at 5:30 p.m.

1.2 - Pledge of Allegiance to the Flag

The meeting was opened with the Pledge of Allegiance to the Flag of the United States of America.

SESSION TWO – Other Matters Brought by Citizens

2.0 - Other Matters Brought by Citizens

Gil Navarro invited Board Members to attend the Academic Decathlon Banquet on Thursday, February 11, at the National Orange Show. Mr. Navarro told the Board they are mandated to educate students and that English learners and special education students have extra needs. Mr. Navarro reported that the Promise Initiative results will be presented on February 11. Mr. Navarro asked the Board to not make cuts to the Adult School program.

Wendy Lanette Bayne, Lorrie Christie, Ruth Mena, Teresa Loftiz, Max Barker, Florine Smith, and Kit Keele asked the Board to not cut the Adult School program by 25 percent. Danny Tillman stated that a 25 percent cut hasn't been mentioned; however, projected unspent funds from Tier III programs may be used. Mohammad Islam stated that there are 27 Tier III programs, and Adult Education is one of them. Staff never stated that we will take 25 percent from Adult Education.

Steve Borg reported that his son was expelled from Richardson PREP HI for unjust reasons. Mr. Borg asked the Board to look into this. President Tillman referred the matter to Dayton Gilleland.

Jennifer Noel, elementary PE teacher, and Scott Daniels, Elementary PE specialist, expressed their support for the Elementary PE Program and asked the Board to not eliminate 15 PE teacher positions.

Josh Barkdoll, School Police employee, stated that cutting five School Police positions would hinder the department's operations and scope of work.

Rebecca Harper, SBTA President, reported that many districts are offering an 80 percent SERP and encouraged the Board to approve it.

Danny Tillman stated that Adult Education is important to the Board and a top priority. The community is lucky to have a Board that hasn't lost touch with what is important to the community. They will ensure they minimize the cuts. Teresa Parra Craig reported that they never discussed a 25 percent reduction. She understands how important Adult Education is. Students go there because they want to, not because they have to. Elsa Valdez stated that these cuts are the worst case scenario and asked if there will be any stimulus money. Mr. Islam reported that there won't be any stimulus money this year. Dr. Valdez stated that they are going to do all they can for all departments. Barbara Flores stated that the first priority is students and employees. The Board and Staff will do their best to not have to cut anyone.

President Tillman moved Session Four forward on the agenda.

SESSION FOUR – Action Item

4.0 - Action Item

4.1 - Supplemental Early Retirement Plan (SERP)

Upon motion by Member Parra Craig, seconded by Member Flores, and approved by the affirmative vote of Members Parra Craig, Flores, Tillman, and Valdez (Noes: None), the following was adopted:

WHEREAS, California Government Code Section 53224 authorizes school districts to make contributions to a Supplemental Early Retirement Plan (SERP); and

WHEREAS, the San Bernardino City Unified School District desires to provide early retirement incentive to its eligible employees under such a plan;

THEREFORE, BE IT RESOLVED that the Board of Education of the San Bernardino City Unified School District hereby establishes a Supplemental Early Retirement Plan for certain eligible employees of the District effective July 1, 2010.

BE IT ALSO RESOLVED FURTHER that the eligibility requirements for employees to participate in such plan shall be as follows:

- Employee must be at least 50 years of age by June 30, 2010, with five (5) years of service with the District
- Be a full-time certificated or classified employee with no break in service for the last five (5) years through June 30, 2010
- Employee must be eligible to retire from CalSTRS or CalPERS by June 30, 2010
- Retirement date must be effective between the dates of April 1, 2010 and June 30, 2010

BE IT ALSO RESOLVED that the Board hereby adopts the San Bernardino City Unified School District Supplemental Employee Retirement Plan (SERP), effective July 1, 2010, with a benefit commencement date of September 1, 2010.

BE IT ALSO RESOLVED that the SERP benefit is based on the benefit provided from a one-time Employer contribution of 80% of each eligible employee's annual base salary as of February 1, 2010.

BE IT ALSO RESOLVED that the Board hereby appoints Keenan Financial Services as the contract administrator to assist the District in the implementation and administration of the Plan.

BE IT ALSO RESOLVED that the San Bernardino City Unified School District shall make contributions to the Plan annually, for a period of five (5) years, to fund said benefits. Payment shall be remitted to United of Omaha an A+ rated insurance and annuity company located in Omaha, Nebraska, selected by Keenan Financial Services for the Plan.

BE IT ALSO RESOLVED that the fees associated with this Plan, both from Keenan Financial Services and United of Omaha, will be paid from the annuity premium payments. The annuity benefits calculated for the participants of the Plan will incorporate the fees in the final benefit provided. The fees for the program are described in the Services Agreement with Keenan Financial Services and the Quote/Contract that will be provided by United of Omaha.

BE IT ALSO RESOLVED which eligible employees that elect to retire with the SERP benefit will receive a monthly payment based on the benefit options which they may choose from. These options include:

- Life Only
- Joint & 50% Survivor

Board of Education Minutes
February 9, 2010

- Life or Ten (10) Years, whichever is longer
- Five (5) Year Monthly Payments
- Six (6) Year Monthly Payments
- Seven (7) year Monthly Payments
- Eight (8) Years Monthly Payments
- Nine (9) Years Monthly Payments
- Ten (10) Years Monthly Payments

BE IT ALSO RESOLVED that, for purposes of the limitations on contributions and benefits under the Plan, as prescribed by section 415 of the Internal Revenue Code of 1986, as amended, the “limitation year” shall be the Plan Year, as defined under the terms and provisions of the Plan.

BE IT ALSO RESOLVED that, for purposes of clarification of administration of the Plan but not for purposes of making said Plan subject to title I of Employee Retirement Income Security Act (ERISA), the Board hereby designates the District as the plan administrator.

BE IT ALSO RESOLVED that the Board hereby authorizes Mohammad Z. Islam, Chief Business and Financial Officer, to execute on behalf of the District the Form 2848, Power of Attorney and Declaration of Representative.

BE IT ALSO RESOLVED that the Board hereby authorizes Mohammad Z. Islam, Chief Business and Financial Officer, to take the following actions:

- A. Execute the Plan and any and all other documents necessary or proper to implement the Plan.
- B. Contract with Keenan Financial Services as contract administrator to provide all services described in the contract.
- C. Execute any and all documents, including any amendment to the Plan, necessary or proper to maintain favorable determination of the Plan.
- D. Enter into any other contract or agreement which he or she deems necessary or proper to administer and/or fund the Plan and to attain and maintain the income tax qualification of the Plan as prescribed by Section 415 of the Internal Revenue Code of 1986 as amended.

BE IT FURTHER RESOLVED that the Board hereby adopts the resolution for a SERP one-time employer contribution of 80% of each employee’s annual base salary as of February 1, 2010.

SESSION THREE – Administrative Presentation

3.0 - Administrative Presentation

3.1 - Budget Workshop

Mohammad Z. Islam, Chief Business and Financial Officer, presented information regarding budget cuts for Fiscal Year 2010-11 (see page ____).

Danny Tillman asked how many positions will be offset by the SERP. Mr. Islam estimated 66 certificated, 108 classified, and 8 managers will take the SERP. Mr. Tillman asked which positions don't need to be filled. Mr. Islam stated that 22 positions could be frozen for two years. Dr. Delgado stated that we are freezing positions to pay for the SERP costs. Mr. Islam stated that March 31 is the deadline to file for the SERP and then he will have the final numbers.

Mr. Tillman asked what the cost savings would be per day if we shorted the instructional year. Mr. Islam stated it would be a savings of \$1.4 million per day, per year. The Governor's proposal is only through 2011-12, and the Governor could go back to funding 180 days. Mr. Islam added that the Board can reverse any decision after the May Revise.

Mr. Tillman requested a list of positions that have to be filled. Barbara Flores requested a matrix so they can see positions and cost savings.

Dr. Flores asked if teachers understand the layoff notification process. Dr. Delgado stated that after teachers receive notice, both Harold Vollkommer and SBTA hold informational meetings.

SESSION FIVE - Closing

5.0 - Adjournment

By the affirmative vote of the members, the meeting was adjourned at 7:15 p.m.

The next regular meeting of the Board of Education of the San Bernardino City Unified School District will be held on Tuesday, February 16, 2010, at 5:30 p.m. in the Community Room of the Board of Education Building, 777 North F Street, San Bernardino.