MONTEBELLO UNIFIED SCHOOL DISTRICT  
Minutes of the Special Board of Education Action Meeting  
March 9, 2018

The following members of the Board of Education were present:  
Ms. Joanna Flores, President  
Dr. Lani Cupchoy, Clerk  
Mr. Hector A. Chacon, Member  
Mr. Edgar Cisneros, Member

Absent:  Mr. Benjamin Cárdenas, Vice President

The following members of the executive cabinet were present:  
Dr. Anthony J. Martinez  Superintendent of Schools  
Dr. Angel E. Gallardo  Assistant Superintendent, Human Resources  
Ms. Elvira Alvarado  Interim Assistant Superintendent, Educational Services  
Ms. Marlene M. Pitchford  Director, Classified Human Resources

Mr. Rick Olivarez, legal counsel from Olivarez Madruga Lemieux & O’Neill, LLP, was present.

The meeting of the Board of Education was convened in special session by President Flores at 9:01 a.m. and was opened with the Pledge of Allegiance. The meeting was held at Steven’s Steak and Seafood House 5332 Stevens Place, City of Commerce, California

The agenda for the Special Action Meeting of March 9, 2018, was presented. On motion of Dr. Cupchoy, seconded by Mr. Chacon, the agenda was unanimously adopted by the three Board members present.

President Flores called for a voice vote. All “aye” votes were received. President Flores declared the motion carried.

Ms. Flores:  Aye  
Dr. Cupchoy: Aye  
Mr. Chacon: Aye
On motion of Hector Chacon, seconded by Dr. Cupchoy, the Board of Education took a five-minute recess to allow their colleagues to arrive.

Mr. Cisneros and Mr. Olivarez joined them during the five-minute recess.

On motion of Hector Chacon, seconded by Mr. Cisneros to table the entire consent agenda and also Item #8, “Proposed Revisions of Board Policy 4112.8, 4212.8, 4312.8 – Employment of Relatives (first reading)

President Flores called for a voice vote. All “aye” votes were received by the four board members present. President Flores declared the motion carried.

Ms. Flores:  Aye
Dr. Cupchoy: Aye
Mr. Chacon: Aye
Mr. Cisneros: Aye

PRESENTATION: VISIONARY LEADERSHIP

Dr. Ray Blanchard, Blanchard Consulting Group, LLC, made a presentation to the Board of Education on Visionary Leadership.

PRESENTATION: BUDGET

Caroline Larson, Vavrinek, Trine, Day & Co., LLP, made a presentation to the Board of Education on the budget. The salient points of the presentation are as follows:

- The Governor’s 2018-2019 proposed budget assumptions are included in the revenue assumptions. Board President Flores verified with Ms. Larson that all of the “new monies” are in the projections. Ms. Larson concurred.
  - The LCFF calculation is expected to be fully funded as of 2018-2019. Previous estimates for full funding were expected to occur as of 2020-2021. “Fully funded LCFF” means that California school districts are funded at the same level as FY 2007-2008 including the statutory cost of living allowances (COLA) for the intervening years.
  - The LCFF calculation will increase by cost of living allowances from 2019-2020 forward. The anticipated COLA’s for 2019-2020 and 2020-2021 are expected to be 2.41% and 2.80%, respectively. Therefore, the relatively large increases to LCFF revenue, due to restoring District’s to 2007-2008 funding levels (pre-recession), are over as of June 30, 2019. The revenue stream as of July 1, 2019 will resemble the revenue limit funding for years 2012-2013 and prior.
LACOE requires that all Districts withhold the LCFF GAP funding for 2018-2019 in the ending fund balance as a reserve in case the State Budget assumptions change. For the first time in over a year, the District is able to comply with this request. Board member Chacon commented on this new development and Ms. Larson confirmed that this was the first time the Board was made aware of this requirement because the Second Interim Report is the first reporting period in at least a year whereby the District can comply.

The Governor proposes to fund $295/ADA as a one-time revenue in 2018-2019. The District has budgeted this amount in revenue and has held it in reserve. This reservation is another requirement that LACOE has put forth for all Districts until the State Budget is adopted. The District is able to comply with this recommendation.

- The potential decrease to the District’s enrollment, and subsequent attendance and unduplicated count, are included in the projection as a result of Discovery Charter School-Montebello (part of Legacy Charter) and SEA Prep Academy operating within Montebello USD’s boundaries. According to both petitions, the cumulative effect of ADA loss in the three subsequent years is scheduled to be 285, 542, and 599, respectively.
- The District continues to decline in student enrollment and average daily attendance. The District has been declining, on average, at least 3% per year. With the impact of the charter schools, this could be as much as a 5% decline in 2018-2019.
- The District is encouraged to publish numbers of student absences by site, either internally and/or externally, to increase LCFF revenue and student participation.
- The District is also encouraged to market the achievements of the staff and students to heighten parent and community awareness of positive District outcomes.
- The District is encouraged to either increase on-going income and/or decrease on-going expenses by $7.7 million as of July 1, 2018, so that all three years show a positive fund balance after all required reservations.
- The presentation focused on the reservations of ending fund balance, both those noted below and those previously mentioned:
  - The District received Redevelopment Agency Funds of approximately $10.2 million in 2017-2018 that have been reserved in the fund balance. These funds can be used for any purpose per District legal counsel. Board member Cisneros noted that these funds were long overdue to the District.

JENNIFER MEZA, CLIENT SERVICE SUPERVISOR, PUBLIC AGENCY RETIREMENT SERVICES (PARS)

Jennifer Meza, Client Service Supervisor – Public Agency Retirement Services (PARS) was present to answer any questions from the Board of Education regarding the presentation given to them at the February 15, 2018, Board of Education Meeting by Mr. Eric O’Leary, CEBS Senior Vice President, Public Agency Retirement Services (PARS), on the Pension Rate Stabilization Program (PRSP).
BOARD OF EDUCATION MEMBERS’ REQUESTS

The Board of Education members requested information from the staff to be discussed, researched or placed on future agendas.

On motion of Dr. Cupchoy seconded by Mr. Chacon, and unanimously carried by All members present (Joanna Flores, Lani Cupchoy, Hector Chacon, and Edgar Cisneros), the special meeting of the Board of Education was recessed at 12:39 p.m. to Closed Session for discussion of the following:

a) Closed Session under Govt. Code §54957.6 – Conference with Labor Negotiators

Agency Designated Representative: Angel E. Gallardo, Ed.D./Adrianna Guzman
Employee Organizations: Montebello Teachers Association
All Unrepresented Employees

Agency Designated Representative: Elvira Alvarado/Adrianna Guzman
Employee Organizations: California School Employees Association

Agency Designated Representative: Marlene M. Pitchford/Adrianna Guzman
Employee Organization: Montebello Unified School District Police Officers Association

The Board of Education was convened in Closed Session by the President Flores, at 12:42 p.m. The matters requiring consideration were discussed.

The meeting of the Board of Education was reconvened in regular session by President Flores at 2:23 p.m.

Mr. Rick Olivarez, legal counsel from Olivarez Madruga Lemieux & O’Neill, LLP, reported out the following from closed session:

The Board of Education recessed into closed session, all members being present, with the exception of Board Member Cárdenas.

a) The Board of Education received a briefing from staff, direction was given, but no final action was taken.
ADJOURNMENT

On motion of Mr. Chacon, seconded by Mr. Cisneros, and unanimously carried by the four board members present, (Joanna Flores, Dr. Lani Cupchoy, Hector Chacon and Edgar Cisneros), the special meeting of the Board of Education was adjourned at 2:23 p.m. to the next regular meeting scheduled Thursday evening, March 15, 2018, at 6:00 p.m.

Attested: President

Approved: Secretary