



## **Westlake Board of Education**

### ***Board Notes from Monday, 4/18/11 Regular Meeting***

#### **SPECIAL REPORTS & RECOGNITIONS:**

1. Joseph Craven was recognized as the 2011 Division I state champion for the 100 meter butterfly swim competition.
2. Kalpana Beach was recognized as the Division I Ohio High School Coaches' Association 2011 Player of the Year for basketball.

#### **HEARING OF THE PUBLIC**

1. Harry Applegate – Wanted to know if forecasts reflect Governor's budget cuts. Westlake taxpayers should expect a second phase for renovated school buildings based on \$45 million in addition to \$85 million already voted in. I thought this was a resolution for operating expenses and you mixed in bond issues. This is inappropriate to mix operating and bond expenses.

#### **SUPERINTENDENT'S REPORT**

1. Last week we received news WHS junior Tom Carroll earned a perfect score on the ACT test. Second perfect score receive this year. Earlier this year Abhi Ramachandran earned it. Last year we recognized Eleanor Batty and Julie Wang. Less than 1/10 of 1 percent of students taking exam achieve that feat. 1.6 million students took the test.
2. Ohio High School State Basketball Association announced our girls' Varsity basketball team had the 5<sup>th</sup> highest GPA in the state. Average was 3.95. They were also regional finalists. Second girls' sports team to achieve that feat. Girls' soccer team in top 10 in the nation.
3. Westlake Town Criers commended WHS National Honor Society in assisting in the Easter egg hunt.

#### **TREASURER'S REPORT/RECOMMENDATIONS**

1. Returned an advance from Project Link to the General Fund

2. Adjusted FY11 appropriations
3. Amended two prior resolutions on the ABLE Tri-C Fund FY11
4. Approved participation in the Tri-C Adult Basic and Literacy Education instructional consortium grant
5. Approved a Then and Now certificate for CDW Government Inc.

#### **ACTION ITEMS**

1. Accepted gifts and contributions
  - a. Holly Lane Sunshine
  - b. WHS Sunshine
  - c. Bay Foundation c/o Brooks Hull
  - d. Thomas Callahan family
  - e. Kiwanis Club of Westlake c/o Rick Grane
  - f. Patricia Screen
  - g. Francis J. Sturm
  - h. WHS OHSAA Tournaments
  - i. Westlake Town Criers
  - j. Nancy Banjoff
  - k. Erin Blahnik
  - l. Amy Butcher
  - m. Vickie Coffman
  - n. Mary Custer
  - o. Ken Delfing
  - p. Sharon Didion
  - q. Pam Dreher
  - r. Nicholas and Tami Elwell
  - s. Sally Falatach
  - t. 'Mary Fazekas
  - u. Mary Flanagan
  - v. Zita Goldberg
  - w. Luda Grossman
  - x. Beth Holick
  - y. Janice Hughes
  - z. Dan & Heather Keenan
  - aa. Donna Keener
  - bb. Kathy Kiczek
  - cc. Mark Lenczewski
  - dd. Cherry Love
  - ee. Brooke Martin
  - ff. Laurie Miltner
  - gg. Debra Oblak

- hh. Mary O'Doherty
  - ii. Sue Palchesko
  - jj. Rudy Ringwall
  - kk. Paul Roth
  - ll. Deb Schrembeck
  - mm. Meg Sherban
  - nn. Sandy Vontroba
  - oo. Paul Wilson
  - pp. Anonymous
2. Approved resignations for purpose of retirement
    - a. James Muzychak
    - b. Reda Johnson
    - c. Christina Jager
    - d. Jennifer White
  3. Approved FMLA
    - a. Felicia Lamarche
    - b. Simon O'Doherty
    - c. Kathryn Hale
  4. Approved unpaid leave of absence
    - a. Lorrie Knapp
  5. Approved unpaid long-term leave of absence
    - a. Natalie Rini
  6. Approved parental leave of absence
    - a. Kelli Butler
  7. Approved classified employment
    - a. Tina Young
  8. Approved classified substitute resignations
    - a. David Collopy
    - b. Robert Karohl
    - c. Lori Davis
    - d. Tammy Dull
  9. Approved certified substitute resignations
    - a. Jennifer Barlock
    - b. Anne Keller
    - c. Shelby Dennstedt
    - d. David Macri
    - e. Alferdita Gora
  10. Approved classified substitutes
    - a. R. Kurt Field
    - b. Sandra McManamon
    - c. Irene Sarraino
  11. Approved certified substitutes

- a. Heather Boduch
  - b. Anne Hart
  - c. Kyle Romansky
12. Approved reclassification of certified staff members
- a. Stacey Abfall
  - b. Brianne Huber
  - c. William Primrose
  - d. Jacob Schober
13. Approved 2010-2011 supplemental contract resignation of Gregory Stringer
14. Approved 2010-2011 supplemental contract for Blaine Bryson
15. Approved certified home instruction by Heather Marinelli, Karen Schmidt, Ann Peebles and Deb Voss.
16. Approved job sharing for certified staff members
- a. Tracy Sicafuse & Michelle Kasunick
  - b. Lois Leonard & Michelle Patton
  - c. Christina Meecha & Kelly Bryan
  - d. Kathleen Basen & Joanna Harmon
  - e. Shannon Basile & Christine Latham
  - f. Kim d'Acunzo & Lisa Forshey
17. Approved continuing contracts
- a. Kelly Bryan
  - b. Thomas DeLuca
  - c. Jennifer Dietrich
  - d. Cathy DuBois
  - e. Nicole Goshen
  - f. Daniel Grigson
  - g. John Horwatt
  - h. Elizabeth Huffman
  - i. Daniel Jennings
  - j. Gregory Kula
  - k. Christopher Milano
  - l. James Patrizi
  - m. Susan Peplin
  - n. Natalie Rini
18. Approved limited contracts
- a. Hannah Archer
  - b. Kathleen Basen
  - c. Kathryn Beachler
  - d. Dorothy Beyer
  - e. Catherine Boettcher
  - f. Veronica Bozich
  - g. Judy Buffington

h. Jennifer Butler  
i. Mark Campo  
j. Melissa Crist  
k. Judy Dubil  
l. Jessica Dye  
m. Heather Eichenberg  
n. Amy Fife  
o. Rebecca Gorek  
p. Alison Gregory  
q. Kelly Hoover  
r. Ellen Hurley  
s. Kristine Ingham  
t. Patricia Kosik  
u. Dolores Kuclo  
v. Christine Latham  
w. Chelsea McDonald  
x. Kathryn McGinty  
y. Rachel Meyrose  
z. Megan Morris  
aa. Amal Mustafa  
bb. Jaclyn Nara  
cc. Michael Newman  
dd. Elizabeth Noren  
ee. Valerie O'Connor  
ff. Robert Pace  
gg. Lisa Patton  
hh. Trudy Pauken  
ii. Jacob Percival  
jj. Jennifer Petticord  
kk. William Primrose  
ll. Adam Purdy  
mm. Donna Richards  
nn. Jennifer Riley  
oo. Kelly Roath  
pp. Jacob Schober  
qq. Caitlin Shea  
rr. Les Szekely  
ss. Megan Thomas  
tt. Michael Thoms  
uu. William Wilson  
vv. Michael Wooley  
ww. Elizabeth Zingales

19. Approved extended limited contracts
  - a. Mark Lenczewski
20. Approved Title I summer school tutor at St. Paul Lutheran School for Lisa Luzier
21. Approved Sunday building use for Hilliard retiring principal retirement celebration and Kiwanis pancake breakfast
22. Amend Lake Erie Educational Computer Association service provider contract for internet service
23. Approved agreement for admission of tuition pupils and purchased services with Euclid City School District
24. Authorized execution and delivery of a customer supply agreement between the district and First Energy Solutions Corp.

#### **MASTER FACILITY PLAN PHASE I REPORT**

1. Bob Teitenburg/Turner Construction
  - a. Costs tracking in accordance with overall budget. Predominant costs related to consultant and design, including testing.
  - b. At estimating phase of middle school. Architect completed all design drawings. About 70% complete with design.
  - c. At high school pulling designs together now.
  - d. Awarded first construction contracts for tree removal services at middle school and high school sites. Next construction contracts will be in June for temporary site controls (fencing, barriers).
  - e. Salvaged several stone items from the Red Brick. Architects came up with a stone arch to incorporate into a building.

#### **DIRECTOR OF BUSINESS AFFAIRS REPORT**

1. Spring sports on schedule. Past work done on fields put our fields in good condition.
2. CEI and utility companies in Ohio required to reduce consumption by 25% by 2020. To meet that requirement, CEI is offering rebates to larger customers. In conjunction with Osbourne Engineering, partnering with a consultant to fill out applications related to new HVAC system at LBMS and new construction generating cost efficiencies. Rebate amount will depend on analysis of new system energy rating.
3. We participate in Cleveland Southwest Safety Council. Designed to help organizations be safer and suffer fewer injuries to worker's compensation system. Awarded Group Award designation (best job of preventing injuries) and special award for two-year period (worked over 1 million hours without any injury). Earned a 4% rebate on Bureau of Worker's Compensation meetings = \$12,000 in total rebates.
4. Dr. Keenan pointed out the facilities blog – [www.blogspot.com/westlakefacilities](http://www.blogspot.com/westlakefacilities) - to show construction layout at the high school site. Turner worked hard to garner temporary parking and to save both fields.

5. We looked at the cost of a traffic light v. a deceleration lane at the high school site. Have talked with City Council about cost sharing between the city and the schools on this. City is receptive, but the entire group must discuss this topic.

## **BOARD ITETMS**

1. Governor's proposed budget update and impact on Westlake/Jim Betts
  - a. Westlake gets about 5% of its funding from the state basic aid. There is a perception that Westlake will do OK because communities will continue to pass levies. Revenues in Ohio have been surpassing projections, so there probably will be a carryover of \$750 to \$800 million. Changes will be made. Despite the fact both houses are controlled by the Republican party and the Governor is a Republican, the adopted budget will be much different than the one the Governor proposed. You have been severely treated by the Governor's proposal. A recommendation has been submitted to limit losses by any school district to 20% of what they were to receive in 2011. If that is adopted, Westlake will get \$2 million more than is proposed. Think about how you want to contact Rep. Nan Baker and Sen. Patton.
  - b. HB920 doesn't allow growth in your levies once you've adopted them. As a result, you don't have the money you naturally assume will accrue when values go up. Step increases: push up costs every year unless you find ways to save, which would mean reducing staff. As long as the law remains the way it is you are paying some too much and some too little because you are paying all the same. Teachers recognize some are not as good as others. Differentiation in pay could occur if SB5 becomes a reality.
  - c. The process on the budget has just begun. Proposal imposed by the Governor has not been adopted. It will change. One way to affect that change is working through your elected representatives. If you are displeased with what has been proposed by the Governor and don't contact those people, then you've failed the district.
  - d. Redistribution of wealth: We did a comparison of 50 highest/lowest wealth districts in the state to determine state funding that came back to those districts. Lowest achieved \$3.30. Higher wealth districts received 9.5 cents. The whole concept of school funding in Ohio, and most states, is higher wealth districts will receive less state aid. This state budget proposal exacerbates that rift.
2. Quarterly report and financial forecast/Mark Pepera, CFO/Treasurer
  - a. Real estate and property taxes (residential/business owners): Received final settlement (lion's share of our revenue).
  - b. HB66 eliminated and phases out personal property taxes on businesses.
  - c. Acceleration of current phase out of tangible personal property taxes on utilities. \$541,000 currently receive will be phased out completely next year.
  - d. Basic state aid: projecting \$2.6 million for this year, reduction of \$1.6 million for next year (76%), FY13 shows reduction of \$1.1 million from current school year.
  - e. Homestead rollback payments and personal property tax replacement payments. This year receive \$3.4 million in replacement revenues. Next year projecting loss of \$1

million (30%), followed by another \$1 million loss, and another \$1 million loss two years from now. These were to be phased out 2018, but accelerated phase out over three years.

- f. Total loss to Westlake next year is \$3.1 million (2.28 mills), 2012-13 looking at loss of \$2.6 million (1.93 mills). Significant change in revenue portion of our forecast.
  - g. Personnel services: Planned for staffing needs next year in the forecast. With CIP process, identified International Baccalaureate program. Also contains all-day kindergarten program.
  - h. Remainder of forecast contains contracts already in place. Gives a baseline to work from to discuss reductions/concessions.
  - i. Decrease in amount of contributions to retirement system included.
  - j. FY14 overall deficit went from \$1.7 million to \$5.6 million. This is a snapshot for today based on the best information currently available.
  - k. Nate Cross: Decisions made that have gotten us to this point is not a reflection of you. Asked for more information on recent tax valuation complaint appeal case.
    - i. Pepera: \$10,000 exemption tax reduction case will have a minimum impact on the forecast, but it will be negative. Bigger impact will be taxable value cases. Significant dip in real estate values have owners challenging valuations. Those challenges have increased. Difficult to put a value on that. We have a large case pending with a charitable entity.
    - ii. Cross: In terms of state aid, that represents what percentage of our total budget?
    - iii. Pepera: Roughly 8%
    - iv. Board approved the quarterly report and financial forecast
3. Draft spending resolution
- a. Nate Cross: Last meeting I was reprimanded for writing a letter to the editor. There were comments made by the Board president that I violated Board policy, which ran counter to our role in deciding how to spend public dollars. I wrote a letter to the editor to share some views, which led to this resolution. There is nothing I wrote that is so radical that we can't share our views individually or as members of the Board. We cannot continue to spend beyond our means. Base that statement on our five-year projection. We do anticipate revenue to be flat (actually decreasing). Annual expenses will escalate unless things change. Change will necessitate shared sacrifice and a change in the status quo. We need to change how we do business and how we operate. We need to spend what we can afford. We can approach financial gap by throwing more money at the problem (not sustainable), raise fears that expense reductions will harm our children or make tough spending decisions that are responsible and in the best interest for our kids. Resolution to curb spending. This is meant as a wake-up call we are on an unsustainable path. We are similar to 614 school districts in how we are funded. We should follow best practices to be strategic. My concerns stem from spending more than we receive. Presented in the spirit to find common ground on how we address our financial challenges. Hope to have a vote scheduled at our next regular meeting.

- b. Tim Sullivan: What would you do about the teacher contract that doesn't expire until 2012? Personnel services, employee retirement and insurance services constitute 87% of our budget. As a practical matter, one hurdle.
  - i. Cross: There's an absolute fixed cost we know, so it would make it difficult to close the gap. Resolution asks the superintendent and treasurer to put together a plan to address that. We know there will be an operating levy in 2012 and contract is up in 2012. Point is to develop a financial plan that answers that and more questions.
- c. Carol Winter: These aren't new ideas. These are things our district is already engaged in. In October we had a lengthy discussion on pupil spending and factors that go into that. We heard the goals of our district administrators. What's the necessity for this resolution when we continue to have these conversations and none of this was brought up before? We have one of the best treasurers in the state, for the second year in a row we have a perfect audit, Moody's shifted our bond rating upward. We want to keep our continuous improvement plan and our mission in the forefront. Why is this necessary when this is the direction we've given our district leaders and something we continue to work on?
  - i. Cross: We are on an unsustainable path. We know over the next 5 years revenue is not just flat, but going down. We need to take a good look at our expenses and develop a strategy around how we are going to spend. We need to provide that direction to our superintendent and treasurer. That's how we should approach spending public dollars. I don't believe we're in a great spot because we have not thought, in terms of developing a financial strategy for all the things we know will happen and things we can't anticipate.
  - ii. Winter: Your attempt to give us a strategy and get us talking about this? We are not unlike any other district in the State of Ohio. Concerned we tie our hands as a Board.
  - iii. Dr. Keenan: In the year and a half since you have been here what best practice haven't we been following? Where have we spent improperly or wasted money specifically? Where are we spending money on that you don't support? We presented our goals and strategy to you and the rest of the Board in October. Still waiting for a response on adjustments to that strategy. We've demonstrated how we are curbing spending. We do have a plan and we are stretching our last issue out beyond the four years we promised.
  - iv. Cross: If you look at this forecast, what I'm suggesting is we draw a line in the sand and ask if we as a community want to pay more taxes to pay for an increase in salaries an administrative expenses rather than spending in the classroom. Salaries make up 85% of our budget. What is the number? We know where our revenue is for the next five years? At what point do you say enough is enough? We spend \$1,500 more than similar districts per pupil. We're looking at \$5 million we would not be spending, which would allow us to not have a conversation about potential layoffs. We need to operate differently than the

status quo. We do not spend within our means. We are spending a lot more. If we don't do that, our hands will be tied.

- v. Sullivan: We are not manufacturing anything, we are producing students. The normal rules that apply to cost containment don't apply. What I see is a sense that things have gotten out of balance and maybe trying to get them back in balance. I applaud Mr. Cross challenging the status quo is not easy. I'm not sure how to go with it and what to do. Administration is not the issue. They are here to administer what the Board directs them to do. The Board too often hides behind them. It's not their job to stop the red ink. We have five Board members that have to do it. We're on an unsustainable path. We've gotten far off balance and there is too much red ink and this resolution we should take seriously and work through this.
- vi. Andrea Rocco: via Skype. A financial strategy has been in play long before the five of us sat on this school board. Mr. Pepera prepares a financial forecast. Dr. Keenan has explained where we spend the money on education. I would like to know what Mr. Cross would like to see us cut. If we are wasting money and insinuate we are wasting money. Where are wasting money? We talk about treating the school district as a private business. There are expenses, but there is a goal to educate children at varying levels. These kids are not taught with machines. They are taught by human beings. I don't think you can compare Westlake with any other school district in Ohio. I don't want to be like any other district in Ohio. Our goal is to keep improving. 83% of our budget goes to salary and benefits. You are saying our teachers make too much money. You should say that and keep in mind the collective bargaining agreements are legally binding. When you look at the districts in Cuyahoga County, we are still in the bottom third of salaries paid to our teachers. If you want to see cost per pupil decrease, you need to be specific on where you want to see it decrease. In order to keep a community strong, our schools need to be as strong as possible. When I vote to ask the community if they want their taxes raised, I rely upon the community to say we want to maintain what we have, therefore we will continue to pay taxes and accept this levy. If the community says no, then we go back and take away from education and programs this community has relied upon. System is Westlake is not broken. What's broken is school funding. And it won't change any time soon. We need to continue to offer the best education we can and do that by safeguarding taxpayer dollars. When we can say a levy passed in 2006 has already lasted longer than it was supposed to, that's the best example of our safeguarding taxpayer dollars. This resolution doesn't really say anything. We have always tried to only spend what taxpayers have given us and always stretched it much longer than other districts around us. The financial plan has always been in place and cannot be taken as a single document. We also need to look at the CIP that our district has followed to ensure the type of education we provide our students.

1. Cross: If we're doing everything we can right now, tell that to the 70 individuals Dr. Keenan has on a recommendation to lay off. The fact is out of 614 school districts, we ranked #17 in terms of salaries across the state of Ohio. In 2008, 2009 and 2010 we spent more than we brought in. We asked the voters in terms of millage for more than we needed to operate. In 2007 to 2008, we brought in more than spent. This is the way public education is funded. We are flush with a lot more cash than we needed. The money we've been sitting on is taxpayer dollars. It takes money away from IB and classroom programs. We have to make tough spending decisions beyond anything we've done previously.
2. Rocco: what would you cut? What is your tough spending decision?
3. Cross: We can't touch salaries because we are bound by contracts. Dr. Keenan has started with a thoughtful recommendation when he presents that recommendation. There are potential layoffs. We should have good answers in terms of financial impact of any cuts. Last week Dr. Keenan talked about layoffs. How much does he have on the table for us to consider? Difficult for me to say without that information. All we get is the same type of nonsense. It's the same old song and dance. We've got a contract coming up next year, would like to know what is it we truly can afford? What's that benchmark? I suggest we spend within our means.
4. Rocco: You think we need to make tough spending decisions but you can't offer a single tough spending decision on your own?
5. Cross: That's not accurate. On Jan. 11, 2010, I said fiscal discipline in a time of economic uncertainty is our mission. Two months later I stated any future cuts should be addressed with the following considerations: evaluation on impact of salaries on our budget. An excerpt from March 2010 letter to the editor states government agencies do not reduce personnel expenses that businesses do. I agree we need to take a stand. We're bound by a deal that is not sustainable.
6. Rocco: I still have not received an answer to my question. We get resolutions, letters and pronouncements, but none of it makes sense. There's been no concrete answers to those questions. We have to make tough spending decisions, but there's nothing else coming. I look forward to specific examples to tell me what they are going to cut. I don't believe we run a factory. The machines that enable us to do the excellent job we do are these teachers, the same teachers you are saying need to be paid a lot less money. Those kinds of decisions cannot be made unless and until the contract is open and negotiations begin again.
7. Cross: Would you agree it would be a noble goal as elected officials to spend what we bring in, in terms of revenue? Is that something you

would support? When we see that can't be sustained we say to the community if you want to continue this you can renew this levy or ask for a new one. We cannot spend more than we take in. But running a house, running a factory, running a business is a lot different than running a public school system when we receive unfunded mandates and they are taking our local dollars and giving it to other districts.

8. Tom Mays: Addressed Board policies and maintaining hierarchy of Board president speaking for the Board. I believe this resolution will lead to discussion. We can then give direction to our administrators as to how we'd like them to run the district. It's hard enough to do this job without board members trying to skirt the issue and not bring something up. Since 1846, schools have been funded in this manner. Until the legislature changes the way funding is slated for schools, this is what we are going to have. I don't see how having cuts are going to allow us to put more money into the classroom to help us with our mission of educating for excellence. No one wants to spend money foolishly. When you have a levy, school districts are flush with cash. Having balances doesn't happen by mistake. It's because we've had great financial management. Two things that have led to this is early retirement incentive and joining the health care consortium. We previously gave goals to Dr. Keenan to keep expenses down. I believe he is working on those goals. We've never just thrown money at a problem. It's up to the voters to tell us what to do. If they provide that income stream, we'll provide the best education possible within those financial parameters. There are probably 609 school districts that would change places with us. When you look at similar districts, average salary of all school personnel. The board doesn't want to be at highest levels, but competitive. That allows us to have the teachers that help our students do so well. Dr. Keenan's cuts are in response to the Governor's proposed budget. It's money being taken from a high performing districts and redistributed to other districts. When I vote for a levy, I'm voting for those dollars to stay in Westlake. That's not how school funding works. We're not any different than businesses, charities, municipalities. Westlake touts its excellent school district and that we will have new buildings. It would be hard for anyone to show us where we waste money. We should be able to debate this in an open session.
9. Cross: The CF Foundation's revenue going up past couple years and expenses going down. We made some tough decisions in a tough economy. An \$84 million bond issue indicates a problem. We hadn't been doing what we should have done along the way. Instances where we haven't been good stewards of public dollars. WE should not be in this situation. We have different solutions to find beyond laying off

people. We are on an unsustainable path. Let's do something about it. SB5 also will likely give people a chance to reveal their thought process. To do anything short of circumventing the public's right to decide for themselves. When I hear the unions want to talk to us mid-stream, I think we need to abide by what's in place.

10. Mays: If concessions are brought to us to eliminate Governor's budget cuts and save jobs and not take money from the General Fund, you are saying not to do that?
11. Cross: I won't answer hypotheticals. I will not make a decision about going into a reopening of the contract until the board is armed with information about the impact of every one of the measures Dr. Keenan will share with us. I would like to know what is the impact of contract renewal in relation to our levy renewal. It's foolish to negotiate in public. Until I have answers to questions about financial impact, I won't entertain or answer that question. We don't know if \$3.6 million are actual cuts.
12. Mays: As far as the bond issue, we would have to take money from operating funds to fix facilities. We decided to put money into classrooms, and that's why facilities have gone down.
13. Rocco: I've never worked with folks like Dr. Keenan and Mr. Pepera who have gone out of their way to give us as much information as they can on every decision we have. Other school boards don't have that kind of communication necessarily and don't have that kind of openness and transparency. They have tried to share with the community any and all information we have. If you think our teachers make too much money, say so. When 83% of our operating budget is benefits and salaries, everyone knows there is one way to really cut into what we spend, and that is to cut into salaries.
14. Dr. Keenan: Presented a PowerPoint. We all have frustration with the same problem. I've heard inaccurately we are spending money we don't have. We have expenditures that outweigh our revenues in our forecast. No family goes for 7 years without any raise or increase without considering getting a new job or making reductions. We ask the community if they want us to change our way of operating or go for a levy. Goal financially is to commit to seeing that a levy last for x number of years. Asked the board who they wanted me to compare Westlake to... ODE has 20 similar districts and the BOE added a few others. If you noticed a pattern in their revenue, expenditures and cash flow, they are the same. All those districts are dealing with a serious issue. I don't want the community to have the view we are squandering money in Westlake. The real issue is there's a problem with how schools are funded. That is frustrating for every taxpayer. I don't see a solution

presented here. I noted to the BOE that our goal was to keep us in the bottom of the top 1/3 of our market. We are watching and paying attention.

4. Increased revenue sources/Tom Mays

- a. For 6 years I thought school districts needed to think out of the box in terms of revenues. Proposed naming rights, sponsorship and other revenue sources. We can do more. In last three years in Westlake, utilized Home Team Marketing to sell advertising on football field and gym. Space on website for ads. Utilizing scoreboard in gyms. Cell phone tower also generates income.
- b. Met with large, local automobile group to talk about naming rights for our football field for turfing the field. Allows everyone within Westlake to utilize that. Talked to other companies about different deals. None of this will fully cover all of our expenses. Anything is significant if it's 6 figures. Businesses are looking for advertising. They can't afford colleges and professionals, so they are looking at high schools.
- c. Looking at gymnasium seat licenses, naming rights, local usage charge
- d. Elementary school in NJ sold naming rights to a gym, Massachusetts bank paid to renovate a high school stadium. To offset maintenance and operating costs. We need to give direction to Dr. Keenan to pursue revenue streams. Marketing plan needs to be created. Ensure any company approached is suitable for our school district. To maintain local control and offset redistribution of wealth, we need to do something different. Now is the time since we are doing some construction.
- e. Nate Cross: Applaud you for thinking outside the box. Support this type of effort to develop sponsorships.
- f. Tim Sullivan: Agree. In some sense doing it already. Consider it an administrative function. I trust the administration to deal with whether we should put naming rights on something and balancing putting ads in front of our school children on a daily basis. Concern about types of advertising. You don't want to spend more time on deciding on what's appropriate.
- g. Carol Winter: Would like to see the numbers this could generate. Think it's a good idea.
- h. Andrea Rocco: These are all suggestions made in the past, they are good ones.

5. Direction needed relative to governor's budget

- a. Dr. Keenan: Rep. Baker submitted an amendment (over 100 submitted). Sen. Patton is the person to focus on. We accounted for a 17% reduction in state funding. We were hit with \$1.584 million reduction, tangible personal property, public utility reimbursement. That continues over the next 3 years.
- b. We have to make some reductions and plans based on what we know. Waiting to ask for action until May because we know things will change. We're trying to do the responsible thing while not jumping too far. Have communicated with staff and preparing for different possibilities.
- c. Potential reduced or eliminated: 3 administrative positions plus concessions (7% of compensation, giving back raise, forfeiting raise and step), 26 teaching positions, 38 classified positions, 1 exempt position. Eliminating all-day kindergarten, Family &

Consumer Science program, technology integration specialists, high school computer applications, planetarium. Program reductions: music elective at intermediate and elementary level, library time at elementary level, physical education. Higher class sizes at all levels. Savings equal \$2.5 to \$2.75 million. It's not going to meet the \$3+ million in proposed reductions. It's around 7% of our budget, but it's the timing of 3 months to adjust.

- d. Operational impacts: approximately \$1.3 million estimated – but some tied with personnel - field trips reduced to IEP field trips or self-paid, only required travel for staff, reduced staff development to grant supported, state minimum transportation, eliminate all summer help, reduce bus replacement, reduced overtime, no new curriculum materials for two years, only replacement technology, reduce site budgets by 5%, close buildings to outside activities after school, reduce fuel for buses, reduce permanent improvement capital (\$450,000 annually now), only required extended days, eliminate some supplemental contracts, tuition-based kindergarten program.
- e. This would take effect July 1.
- f. Our cuts need to eventually match state reductions. Urge the board to consider our CIP as our compass. Decisions are made with a lot of input, but final decisions will be made after final state budget is complete, but intend to make recommendations to act on in May. SB 5 will not impact our district until last half of our biannual budget. Other laws out there that could hurt and drain us that could take local dollars to subsidize a state-run program. Likelihood of change.
- g. These cuts are being made in the name of an \$8 billion deficit. That's not what's being done. We're being cut 59% to fill that deficit. We are also contributing to other districts. There are districts seeing an increase. Not only are other districts not asked to fill the deficit, but they are taking part of our share at the same time and giving it to other districts. Your tax dollars are not just going to fill the deficit. They are also going to increase money to other school districts. We are proposing a 20% cap on all losses so no district will lose more than 20%. If we do that, our change would move to minus \$1.2 million, much more in line with what we projected.
- h. We still have to change our practices and make reductions, but a cap would give us time. We have heard from both unions and they are coming to us to be part of the association. OAPSE willing to consider cuts close to our administrator concessions. That would save jobs and save programming for kids. WTA is also willing to consider concessions and would like to enter into the process to be part of the solution as well. Recommend considering staff concessions as a key tool to fighting this recession as opposed to the cuts as the recommendations.
- i. Would like direction from the board on all-day kindergarten – offer all-day kindergarten with tuition (around \$2,300); request we work with the unions for concessions to avoid reductions and increases in class sizes; should money be returned, what should be brought back first? Any other specific provisions for next year's budget?
  - i. Tom Mays: Concerned the state wants everyone to be average. Comfortable looking at full-day kindergarten with tuition option. Need to enter into

negotiations to see how this will affect us. Class size is extremely important. Don't want to eliminate programs. Cut Board professional development and travel. We can do savings through reducing newsletters to once a year and moving communications online. Furloughs should be considered.

- ii. Carol Winter: Appreciate concessions from administrators, staff and teachers. Kindergarten options can be done successfully. Support working with our unions. Class size makes a difference. Agree with eliminating budget for board travel and training.
- iii. Tim Sullivan: Not sure OK with all-day kindergarten recommendations. In regard to negotiations, willing to listen to concessions, but not willing to open up the contracts for renegotiations. Want more information before agreeing to enter into that. Should some money return, you need to make those decisions educationally. Appreciate the concessions on the staff and administrative part. I need to hear concessions again.
  - 1. Dr. Keenan: I only want to seek concessions, but you need to enter into negotiations to bargain the actual concessions. Our choices are you won't talk about concessions in the formal process or you will. We can turn down anything offered if you choose to talk about concessions and don't like concepts.
  - 2. Sullivan: We should talk about it tonight.
  - 3. Dr. Keenan: The specific negotiations? That's now how you bargain. We have an agreement.
  - 4. Sullivan: the union has been urging Dr. Keenan for the past 7 weeks to get the school board into negotiations behind closed doors because they know the game is over. This is not a negotiable item. I don't know if teachers make too much money. I think some do, I think some don't because all are paid the same. Teachers union deals with redistribution of wealth. I say we do an across the board 5% reduction on salaries. Probably comes down to I don't want to go behind closed doors to negotiate this contract because in the end it will prolong the problem and make the taxpayers pay for something they shouldn't. We have a 3-2 board here. What will happen here will be what's happened in Bexley. The ones where the union knows they have sympathetic members who will put the burden on the taxpayers on not on them. My direction is not to initiate formal negotiations, it's a bad idea.
- iv. Nate Cross: Disappointed you told us we were going to come to this meeting and you would present us good numbers. There are a number of questions I've asked.
  - 1. Dr. Keenan: The numbers I gave on April 11, you weren't there and refused to attend. I am only asking two things tonight, we are not making any reductions here. I've never refused to sit with any of you, in

fact you have refused to sit with me. I provided you information from the meeting you missed both hard copy and a DVD of the meeting.

2. Cross: you are being part of the problem. You talk about transparency. I said I do not want to hear your personal opinion when you are not an elected member of the board.
3. Dr. Keenan: How so? I am not stating my opinion, I am stating facts. I never asked to meet with you about anything but the facts. I will commit to even after today to doing that because that is my job. You call me on Friday and Saturday two weeks after a board meeting and ask me to provide things for you on a weekend. I continue to do that time after time. The point is I've been willing to meet on this. Total cuts are approximately \$1.39 million as I stated, but they are estimates at this time.
4. Cross: Unless I know the dollar amounts of each item, I can't make a decision.
5. Dr. Keenan: I'm looking for guidance and direction not a decision tonight. (Provided numbers tied to each cut). Some overlap with classified reductions. Total reductions are \$3.7 million.
6. Cross: I would have to think through what I want to keep or not. If we do all-day kindergarten I want costs offset by revenues. It's going to cost us money so I do not support all-day kindergarten. I am horrified a superintendent would make the recommendation to open negotiations in light of all the changes coming, including SB5. There are many other questions I have. You should have good information for us before we go into negotiations. I don't think good information has been provided. There could be a larger cost savings. Depending on what would come back to us, I'd have to think about what we would bring back. The unions have approached us a second time to go into negotiations. Unions should sharpen their pencils and get back to us with concessions. I want to know every financial impact we would talk about so well armed to make good decisions that are best for us long-term. There are other solutions and I ask the union to be creative as opposed to throwing 50 to 60 members under the bus. I am not going to give the union suggestions of what they could do. There are districts giving back more and in other ways.
7. Andrea Rocco: What is the suggestion to Rep. Baker regarding Governor's budget? What amendment did she file?
  - a. Dr. Keenan: Amendment she proposed is to put a cap of 20% loss of total loss, including all state aid and reimbursements. Would take any district receiving an increase to 0. Originally wanted it down to 15% or at least put everyone at a minus 5% or 10%.

- b. Rocco: I am in agreement it should be tuition based and still allow for half-day option. Tuition should be based on amount to best serve educational needs of the district. All-day kindergarten will never be completely paid because those kids on free lunch will get it for free and those on reduced will have reduced tuition. As far as engaging in formal negotiations, it does no harm to sit down at the table and discuss each side. If money should return, I believe in following the CIP. Ask you not reduce the permanent improvement funds. Concessions are a part of negotiations. You're not going to get one without the other. SB5 will not fix or save the situation we have in Ohio and blaming the teachers, police officers and firefighters that face us statewide is a copout. Glad to hear our fellow board members trust Dr. Keenan.
- v. Dr. Keenan: apologized for getting frustrated. Just looking for direction. Do not feel I have clear guidance. I have individual opinions, but if we are going to address this maybe the will of the school board is wait. I foresee it will cause issues for our community, for families who need to make decisions for kids, for employees to know about their futures, for students at the high school signing up for classes. I'm at a point operationally where we need to decide and communicate on these things. We're faced with a choice of seeking concessions. With regards to kindergarten I will plan internally to full-day kindergarten but will not communicate specifics the public. The board is undecided as a board.
  - 1. Mays: plan internally. We'll see where it comes out at a later time. I want to make sure my colleagues understand the fact that agreeing to enter into negotiations mean nothing. SB5 won't impact us until 2013. How do we deal with the budget cuts we're talking about now? If the union is interested in providing additional information, it may make it a 5-0.
  - 2. Dr. Keenan: OAPSE did make specifics and indicated they were willing to consider going back to the same levels the administrators agree to. You can enter into negotiations with one group and not the other. With small number of administrators, talking about \$120,000. OAPSE is over \$500,000. Demonstrates a commitment to be part of the solution. To go into negotiations, we'd need a 3-2 vote. If I don't have board agreement, I can't act without the authority of the board to act. I made my recommendation and that's as far as I can go.
  - 3. Next board meeting is May 24. May 9 is a work session. You can add it on as a work session item if desired.
  - 4. Andrea Rocco: WE all make \$120 per meeting. Not sure if we're able to decline that payment, but it's another thing to consider.

## HEARING OF THE PUBLIC

1. Mr. Gesalt: I'm disturbed we have 300 teachers. I call them teacher thugs. When I was in school I had civics and part of the thing that makes America great is the fact you can disagree. I am very disappointed and you are teaching our children. Times in the meeting I was upset with what was being said. I didn't clap or scream. Mr. Cross and Mr. Sullivan stuck their necks out. The other three members got behind your superintendent and said tell us what to do. Teacher salaries: \$70,000 average is way too high. I'm insulted about hearing about them doing extra work. You do what you need to do to get the job done and you don't bitch about it. I don't blame teachers for these high salaries. I blame the board, who blames the state. I've gained a great deal of respect for the superintendent. He's got to solve it and I don't see a lot of help. My suggestion on getting money is for teachers to give back \$3,000 of their salary back to the district. Go to [buckeyeinstitute.org](http://buckeyeinstitute.org) and you'll be shocked at the figures there. I don't speak alone and you better address that.
2. Sarah Rintamaki: President of Early Childhood PTA. Serve families in Westlake birth to age 5. We formed a petition asking you to offer an optional, full-day, tuition-based kindergarten option. 95 families signed it. Ask you to convene that extra meeting soon so we can make decisions about our children.
3. David Albert: Parent of a soon-to-be kindergartener. I prefer tuition-based kindergarten. Also a baseball coach. We all want the best for our children.
4. Jane Peare: Resident, homeowner, taxpayer, parent. Please reconsider and allow for tuition based. I'm one of those working parents. I have a dozen friends texting me all night wondering what is going on. All night I heard educational excellence, which is why I'm choosing to send my kids here. I support our teachers. I hope we can continue supporting our teachers and supporting excellence in education.
5. Karen Herzberger: OAPSE president. When we heard we were going into this deficit, we went to Dr. Keenan and heard the numbers of people being cut and asked how we could help. Mr. Sullivan you are not willing to give us the chance to see what we can do to save our people's jobs. 21 years I've been in this district and I've never experienced cuts like this. You're not giving us a chance. (Sullivan: maybe understanding the desires of my fellow board members). Mr. Cross, you are not letting us talk to Dr. Keenan. In the long run it will benefit the students and school district.
6. Dave Centa: 66.7 millage for the schools. Is that additional 5% a permanent number? Want to understand if this number keeps going up or is it adjusted down? Who would negotiate if it's open? What did we win or not concede to in last contract for the teachers? Was there anything the school board felt they didn't concede? Learned at the CIP we had 2000 applicants for the elementary position. Reading the contract see starting wage going up \$1,100/year. What did that increase provide us? How did that improve the district? Would it better be used in an area where there's a tougher area to fill?
7. Kelly Ilk: I have two children in elementary school. They made posters: Don't take our teacher's money. Do change your mind. You stop, save my teacher, she's going to lose her job. Bassett

School-Save Our School, Mr. Hodge, yay. I love Bassett, save our school. These are students who don't have a voice tonight.

8. Kari Rensiak: 1<sup>st</sup> grader and daughter entering kindergarten. It's an important decision to a lot of moms. Read through resolution before I came and have a question. One of the proposals to cut our expenditures per student to get us in line with other districts of the same size. We need to compare apples and apples. If you are going to cut the expenditures, make sure you are comparing us to other systems that provide excellent education. I would rather pay a little more money so my children get a better education. Many of us chose to live here for the excellent schools and we want to continue on that plan of excellent.
9. Edward McCarthan: Cleveland resident, substitute janitor with the school system. Thank the board for hiring me. I've been unemployed for four years and just getting some income is much appreciated. It's been a pleasure working for you.
10. Christie Wiedt: Worked on CAC. Four years ago we looked at all-day kindergarten as a research project. We went to all PTA units and it was well received. Sat down with teachers as well. Was looking forward to having it to offer parents the option. Back then there was sound support for the program and benefits. Mr. Cross, your letter to the editor was unprofessional. You should bring your concerns to the board. Mr. Sullivan I didn't appreciate your remark about the problem with the voters to pass the bond issue.
11. Mike Booksan: I still looked at the bottom line and we're still green to 2014. Commend you on the work you've done. I moved here for the schools. It's just a house otherwise. I have a child excelling because of the schools. We are grateful as a city to have our treasurer and superintendent. Urge the board to iron out whatever personal discrepancies you have with each other behind closed doors. Disrespectful for a handful of individuals to take up our time with a pissing contest. Bring the facts and don't repeat over and over. Let's be more productive. If you're going to have a session 7 hours long, have some refreshments or something. Respect conversation about negotiations.
12. Amy Havelka: Active PTA mom. Looking up role of school board member – students, achievement, goals. Students and educational excellence is what we are concerned about as parents. You are never going to have all the information you want to make decisions. Take what you have and make a decision. Keep the students and educational excellence at the very top of your priorities.
13. Gretchen Herzberger: Teacher in another district. Earlier on Mr. Sullivan asked how some teachers are underpaid and some are overpaid. You make us sound like glorified babysitters. I feel like the teachers and support staff were ground under the bus. I am a hard worker and a lot of teachers are hard workers.
14. John Finucan: We haven't heard anything about going back to the voters. Has that been a discussion point?
15. Nicole Arthright: Son entering kindergarten this fall. Asking for all-day kindergarten with tuition. Please make a decision soon. A lot of families trying to make decisions. We need to know if you are doing it. To have the disagreements and not come to a decision so important in such a short amount of time is very disappointing.

16. Tina Westhower: Each morning I turn my child over to a bus driver and a teacher in a safe and clean environment. I get my child home everyday enlightened and happy. That's not something you can put a pricetag on. I find attitudes counterproductive. Encourage you to move forward with an openness and willingness to discuss things.
17. Jeff Friedrich: Lakewood resident and Westlake teacher. Proposal for a five-year financial plan. Inconsistencies here. Mr. Cross, your financial plan talks about taking money out of the classroom. You want a five-year financial plan, but you don't take into account how things can change. That's a big undertaking. A smaller undertaking is considering sitting down with 300 teachers and considering pay cuts. If you're asking us to make a five-year financial plan with all those unknowns, why not sit down with us and talk about concessions.

Answers to questions:

1. Will millage go up? Millage is rolled back as our valuation grows. Operating millage voted on by people includes inside millage.
2. Who negotiates for the board: attorney, negotiation team of administrators
3. What we said no to: there were a lot of things offered or requested that weren't part of final contract. 13 items were thrown out and 7 were negotiated on both ends. Would need to look back at notes for specifics.
4. Did we discuss going for a levy early? We have not.

**NEXT REGULAR MEETING:** The next meeting of the Board will be a work session on Monday, March 9, at 5:30pm at the Board offices.

For more detailed information on these items, visit

<http://beta.westlake.k12.oh.us/boe/meetingschedule/default.aspx>