

*El Camino Real Charter High School Board*  
5440 Valley Circle Blvd. Woodland Hills, CA 93167 (818)595-7500

MEETING MINUTES  
Wednesday, June 17, 2015  
4:00 pm

**CALL TO ORDER:** The meeting was called to order by President Jeff Falgien at 4:02pm.

**ROLL CALL:** Board members present: Jeff Falgien, Obie Slamon, Odus Caldwell, Peter Vastenhold, Jon Wasser and Jackie Keene. Also present were Principal Dave Fehte, CBO Marshall Mayotte, Duc Quach, Terri Keas, Asst. Principal Yvonne Halski, over 20 ECR teachers and several community members.

Absent: Dennis Thompson.

**PUBLIC COMMENT:**

1. Richard Scheinberg asked what provisions have been made for the community to enforce statements made in presentations and in the Charter about the future lease of the Platt Ranch site.
2. Carlos Monroy stated that if young families will not be moving into the local area because of the rising cost of housing, then it isn't logical to expand or create new schools/centers in the area to educate school-age children. It also makes little financial sense to invest school funds in off-site locations when ECR's campus, students and classes could benefit from those funds. If the goal is to ensure financial stability and generate steady revenue, then building any location that will not receive ADA that generates income doesn't make sense.
3. Lisa De Rubertis gave her time to Jason Kinsella.
4. Jason Kinsella thanked the Board for listening and stated concerns from the teachers' perspectives, for the Board to consider before voting to approve the expansion project in July, questioning the wisdom of taking on such a large expansion project. Lifetime benefits promised to the teachers might be at risk as well as the quality of education at ECR and he suggested opening one school on a trial basis. The benefits could be substantial but so could the liability. He voiced his opinion that we should improve ECR first and use ECR's resources to reduce class size, incorporate innovative programs and technology and offer better benefits than LAUSD to attract the best teachers. He suggested that if we invest in ECR, we will not have a problem attracting students. He asked what the justification is of building two schools in the same area if the population of local students in the area is projected to decrease. Years down the road the consequences could be disastrous to the students and teachers at ECRCHS because of the liability, and teachers could lose benefits and seniority if they have to return to the District, and retirement income. He asked if it's wise to create a Science Center that does not provide a steady revenue stream. If in the future ECR cannot afford the Science Center, what would be the exit strategy and how much would it cost? Has a salary and benefits package better than LAUSD been factored in the financial projections? The way for ECRCHS to survive is to attract the best students and best teachers. He suggested the Board conduct a risk assessment before voting to approve this project or possibly not move forward with the project at all.
5. Beth Corbett requested that the teachers be provided with the original Charter Bylaws. The Bylaws posted on the website are the amended ECRA Bylaws.
6. David Valenzuela spoke on behalf of the new teachers' concerns about the long-term expansion plan and the financial sustainability of ECRCHS. He asked the Board to consider that ECRCHS stay competitive with LAUSD salaries and benefits and consider offering life-time health benefits for both legacy and non-legacy teachers to avoid low morale and to make sure that the long-term needs of ECR are met.

## **APPROVAL OF MINUTES:**

**MOTION:** A motion was made by Obie Slamon and seconded by Peter Vastenhold to approve the Minutes of the May 20, 2015 Board meeting.

**Vote:** Ayes: Odus Caldwell, Obie Slamon, Jon Wasser, Jackie Keene and Peter Vastenhold  
Nays: none

**MOTION PASSED**

**SECRETARY'S REPORT:** No Secretary's Report this month

**CHAIRPERSON'S REPORT:** No Chairperson's Report this month

**COMMITTEE REPORTS:** None

## **GOVERNANCE:**

**MOTION:** A motion was made by Jon Wasser and seconded by Peter Vastenhold to approve the 2015-2016 Board Calendar with meetings to be held on the third Wednesday of each month, with the exception of the August and December meetings, and to change the meeting times from 4pm to 5pm, because Board member Jackie Keene is unable to get to the meetings by 4pm. The August meeting date is changed because of the due date of the submission of the Charter Renewal petition to LAUSD and the December meeting will be on December 9th because the financial audit is due on December 15<sup>th</sup> and requires Board review and approval prior to submission.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Jon Wasser  
Nays: Obie Slamon and Peter Vastenhold

**MOTION PASSED**

**MOTION:** A motion was made by Jackie Keene and seconded by Obie Slamon to approve the 2015-16 school calendar. There was an extra day in the spring semester and the certificated staff voted to take April 22, 2015 off as a school holiday.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Jon Wasser, Obie Slamon and Peter Vastenhold  
Nays: none

**MOTION PASSED**

## **FINANCIALS:**

**MOTION:** A motion was made by Jackie Keene and Seconded by Odus Caldwell to approve the Local Control Accountability Plan (LCAP) that was presented at the May 20, 2015 Board meeting by Yvonne Halski.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, Peter Vastenhold and Jon Wasser.  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Jackie Keene and seconded by Odus Caldwell to approve the amended Common Core Budget presented at the May 20, 2015 Board meeting, which was amended to allocate more money to instructional materials from construction and technology because of the restrictions and paperwork required by LAUSD to make any changes to the facilities.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Peter Vastenhold, Obie Slamon and Jon Wasser  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Odus Caldwell and seconded by Peter Vastenhold to approve the Consolidated Application prepared by ExED which claims federal funds by reporting how many qualified students ECR has under Title 1. These funds represents less than 1% of our entire budget, approximately \$247,000.00.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Peter Vastenhold, Obie Slamon and Jon Wasser  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Jackie Keene and seconded by Peter Vastenhold to approve the April check register.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, Peter Vastenhold and Jon Wasser  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Jon Wasser and seconded by Peter Vastenhold to approve the 2015-16 Budget prepared by ExED.

Marshall noted the following on these financials prepared by ExED:

- Assumed a 6% retro pay for certificated only, not the entire staff causing an understatement of approx. \$460,000.
- Assumed adoption of the Jan. 1, 2016 LAUSD salary scale to go into effect July 1, 2015.
- Projecting a \$1.8MM increase in salaries from the current year through 2018, which is understated
- Classified employees who left or retired will be replaced with employees who can work on compliance and development
- From 2011-12 through 2014-15 the cost to ECR for health insurance increased by \$1MM. ExED projects an increase of \$900,000 for the next four years, which may be understated.
- ExEd might have understated the revenue stream
- This budget does not include a one-time funding of \$601.00 per ADA for a total of \$2.4MM which is targeted to be deposited into the 115 Trust for retiree benefits (to be addressed to the Board in the future).
- 2014-2018 net income is projected to be \$4.8MM which includes the one-time \$2.4MM, but will decrease after that.
- These are only projections based on past and future trends.
- From 2011-2014 expenses increased \$8.5MM which included the 4% salary increase. From 2014 forward, expenses are only expected to increase \$5MM.
- ECR had a 9.6% increase (from 3260 students to 3576 students) in ADA from 2011-2014, plus 80 International Students which brought the increase up to about 11%. Enrollment growth accounted for much of the net income growth for the first years. Enrollment is now at capacity.
- 2013-2014 to 2018-19, ADA expenses is projected to be greater than revenue ADA. Funding for Prop 30 has flat-lined and the temporary Proposition expires in 2018. Because of ECR's low free and reduced population, we are rated number 270 out of 284 high school districts and charter high schools to receive Prop 30 funding. We are approx. \$300 per ADA from the bottom and \$5000 per ADA from the top and \$3000 per ADA less than LAUSD.

- ExEd is projecting a relatively flat revenue income while projecting a growth in expenses
- Per LACOE the employer contribution of 8.8% to CalSTRS will more than double by the year 2020 and the CalPERS employer contribution will increase from 9.5% to 19%.
- Minimum wage is going from \$9 per hour to \$15 per hour over the next five years which will affect some classified staff.
- Health and welfare costs going forward is hard to predict. Health benefit costs to ECR have gone from \$2.1MM to \$3.5MM and has been increasing from 5% - 10% per year.
- ECR is changing back office companies from ExED to EdTeck effective July 1, 2015.
- For 2015-16 we are projecting \$592,000.00 in retro pay, which should bring the total salaries to \$16MM including benefits. When Marshall met with Karen Ritchie and Sonia UTLA, he communicated that ECR will pay better teacher salaries than LAUSD.
- \$1,050,000.00 is allotted to fund retiree benefits.
- He stated that we are spending 5% less than comparable charter schools on expenses outside the classroom.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, Peter Vastenhold and Jon Wasser  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Obie Slamon and seconded by Odus Caldwell to extend all employee contracts for the 2015-16 school year.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, Peter Vastenhold and Jon Wasser  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Obie Slamon and seconded by Jon Wasser to approve the creation of a 115 Irrevocable Trust to fund employee retiree benefits.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, Peter Vastenhold and Jon Wasser  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Peter Vastenhold and seconded by Odus Caldwell to approve Marshall Mayotte and Melanie Horton to be interim Trustees of the 115 Retiree Benefits Trust, to be set up by June 30, 2015.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, Peter Vastenhold and Jon Wasser.  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Jon Wasser and seconded by Jackie Keene to create a Charles Schwab account to move funds into the 115 Trust.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, and Peter Vastenhold.  
Nays: none

**MOTION PASSED**

**MOTION:** A motion was made by Peter Vastenhold and seconded by Odus Caldwell to transfer just under \$1MM to the 115 Retirement Benefit Trust account, amended from \$1MM, in order to significantly reduce IRS fees.

**Vote:** Ayes: Odus Caldwell, Jackie Keene, Obie Slamon, and Peter Vastenhold.

Nays: none

**MOTION PASSED**

**CBO'S FINANCIAL UPDATE REPORT:** No Financial Update because Marshall just reviewed the Budget prepared by ExED.

**PRINCIPAL'S REPORT:** Graduation went well. The kids were awesome, the teachers were awesome. Over 980 students graduated. We had a new system with caps and gowns due to a new state law that students cannot be charged for their caps and gowns, and the system worked well. It was a great event with lots of positive feedback. Summer school started the following week. Because there will be no summer school on July 3<sup>rd</sup>, summer school started one day early on Friday, June 12<sup>th</sup>. Approximately 1700 students are enrolled in summer school. The first day of school for the fall semester is August 12<sup>th</sup>. Our Baseball team won the state championship.

**OLD BUSINESS:** None

**NEW BUSINESS:** Jon Wasser brought up that concerns have been raised by some in the Special Education Dept. that their case numbers are increasing and exceeding Federal and State allowances and also the hours for the auxiliary school psychologists. He suggested this be researched and discussed at the next Board meeting. Jeff Falgien suggested putting a committee together to initiate discussion with the Board since that involves day-to-day operation.

**ADJOURNMENT:**

**MOTION:** A motion was made by Peter Vastenhold and seconded by Jackie Keene to adjourn the meeting.

**Vote:** Ayes: Odus Caldwell, Obie Slamon and Peter Vastenhold, Jon Wasser and Jackie Keene

Nays: none

**MOTION PASSED**

The meeting was Adjourned by Jeff Falgien at 5:16pm.

Respectfully submitted by Terri Keas.