

**Visalia Unified School District
Board of Education**

MINUTES

**OPENING
BUSINESS**

The August 12, 2004 study session was opened at 5:30 p.m. by President Lane, in the Board Room at the VUSD Educational Office Complex, 5000 West Cypress Avenue, Visalia. A quorum of the board was present.

ATTENDANCE

	<u>Arrive</u>	<u>Leave</u>	<u>Absent</u>
Rodney Elder	5:30	8:21	
Juan R. Guerrero	5:30	8:21	
Larry Jones	5:30	8:21	
Michael Lane	5:30	8:21	
Donna Martin	5:30	8:21	
Jim L. Qualls			X
Robert Stephenson	5:30	8:21	
 Stan A. Carrizosa, Superintendent	 5:30	 8:21	

Staff Members

Mark Fulmer, Assistant Superintendent, Administrative Services
Carlyn Lambert, Assistant Superintendent, Curriculum/Educational Services
Kay Van Andel, Assistant Superintendent, Human Resources Development
Liz Parker, Administrative Assistant, Superintendent's Office

CLOSED SESSION

Superintendent Carrizosa announced that Administrative Panel Hearings were recently held for students who are eligible for reinstatement following a period of expulsion. As the hearings were held after the August 10 board meeting, and school is scheduled to begin before the next board meeting on August 24, in order for the students to begin school on time, an item to review those student reinstatements needed to be added to tonight's closed session agenda. On a motion by Stephenson and second by Elder, and a 2/3 vote of the board members present, the item was added to the closed session agenda. President Lane then read the closed session items to be discussed.

Motion No. 23

1. CONFERENCE WITH LABOR NEGOTIATOR
 1. Agency Negotiator: Kay Van Andel
 2. Employee Organizations
 1. VUTA
 2. CSEA
 3. Management
2. RECOMMENDED REINSTATEMENTS (as added above)

**RECONVENE IN
REGULAR SESSION**
Motion No. 24

The board convened the study session at 7 p.m. President Lane announced that Mr. Qualls was unable to attend tonight's meeting. Mr. Stephenson lead the Pledge of Allegiance. President Lane announced that no action was taken in tonight's closed session. He asked for a motion to accept the recommended reinstatements added to tonight's closed session agenda. On a motion by Stephenson and second by Guerrero, the Administrative Panel Recommendations on Reinstatement Case Numbers 05-21 R, 05-22 R and 05-23 R were approved. Ayes: all. Motion carried.

GENERAL AGENDA

Review / Public Input /

Board Discussion /

ACTION (as

applicable)

ONE-TIME COST
SAVINGS OF
COMBINING
CERTIFICATED/
MANAGEMENT
AND CLASSIFIED
MEDICAL
INSURANCES INTO
ONE COMBINED
"CREDIBLE"
INSURANCE POOL
Motion No. 25

Mrs. Susan Cox continued the presentation she had given as an informational item at the July 13 board meeting. She also reported that subsequent to that meeting, staff met with approximately 60 retirees to share the same information. Mrs. Cox reported that for the 2004-05-plan year, the renewal funding rates for health benefits will result in an additional cost to the district of approximately \$2,868,000. In looking for ways to save the district money, the district found a one-time opportunity to save approximately \$600,000 by combining the medical insurance coverages for classified, certificated and management into one combined VUSD "credible" insurance pool under SISC. Mrs. Cox also reported on the impact of combining the groups. The change will save the district funding on active employees as well as district-paid retirees for the 2004-05 plan year, and VUSD becomes a combined SISC credible pool and is not combined with any other school districts or funding. Future plan years for medical and prescription rates will be determined by the combined claims cost of the entire VUSD pool. Mrs. Cox said that funding rates for employees and all retirees in the pool will be based on the blended composite rate structure which will have an impact on the self-paid retiree for the monthly medical prescription premiums beginning October 24, 2004. She then explained how the rates differ for self-paid retirees depending on whether or not they are under or over the age of 65. She also explained the distinctions between a Medicare supplement plan and the Blue Cross plan that would serve as a secondary to Medicare.

Mrs. Van Anandel reported that in June 2004, the district informed both VUTA and CSEA that a recommendation would be made to the board to combine the certificated/management and classified medical insurances into one credible pool. The associations were also informed at that time that the district believed that it did not have any duty to negotiate the change. Mrs. Van Anandel reported that the district did not receive any response to its request for information from the associations. She said that again in August the district sent out a second written notification of its intent to combine the groups into one credible pool and reiterated its belief that it did not have a duty to negotiate the change. VUTA did send a letter on August 6 in which Mr. Kildow listed six key position points, which Mrs. Van Anandel reviewed along with the district's response to each point.

Public Comment was called on this proposal. Robert Rodriguez, CSEA Chapter 83 president, provided a handout which included the association's position on this issue. Mr. Rodriguez

explained the analysis done by CSEA regarding classified employees' attempts to contain insurance cost increases. Following Mr. Rodriguez' presentation, he stated that a response would be coming from the CSEA field office stating that the district's classified employees are prepared to "go through the full legalities" relative to this recommendation.

Mr. Rodriguez also asked for clarification regarding an item on the July 13 board agenda regarding interfund loans. Dr. Fulmer explained that the interfund loans have to be repaid within a specific timeline and are not an extended loan from one fund to another.

Mr. Dave Card, VUTA Insurance Committee Chairman, spoke of certificated staff savings in health insurance costs in the district over the last seven years. Mr. Card said that 18 months of claims history for classified staff is insufficient to make the recommended change to include classified in the credible pool. He added that if the district does combine the three groups into one credible pool, he feels that the district is trying to "stifle the association's collective bargaining process" by preventing them from saving dollars on their benefits, thus taking away their leverage in keeping costs down. He said the district is not looking at long-term savings, just short-term savings. He said that he believes the employees of VUSD are "just a commodity that is manipulated at will by the district." Mr. Card added that if the district follows through with placing classified employees with certificated employees into the medical/RX insurance pool, then the action is in opposition of the VUTA Insurance Committee. He then listed a number of statements that the insurance committee will request take effect if the action is taken to combine the groups.

Following further discussion by the board, on a motion by Lane and second by Martin, the board approved combining the classified, certificated and management medical/prescription benefits into one "credible" insurance pool under SISC. The one-time savings will be set aside into an insurance premium reserve to be used for future increases in health insurance premiums. Ayes: Elder, Lane, Martin and Stephenson. Noes: Guerrero and Jones. Absent: Qualls. Motion carried.

ADJOURNMENT

The meeting was adjourned at 8:21 p.m.

NEXT MEETING

Unless otherwise determined, the next regular Board Meeting will be August 24, 2004, at 5:30 p.m. in the Board Room at the VUSD Educational Office Complex located at 5000 West Cypress Avenue, Visalia.

Respectfully submitted,

Rodney Elder
Clerk

Stan A. Carrizosa
Superintendent/Clerk