

City of Palo Alto

Date: June 23, 2010

**MINUTES FOR MEETING OF June 23, 2010**Opening

The City/School Committee held a meeting in the Council Conference Room at 250 Hamilton Ave, Palo Alto. The meeting was called to order at 8:15 a.m.

\* All handouts can be viewed in the City Manager's Office 7<sup>th</sup> Floor 250 Hamilton Ave.

**City of Palo Alto Representatives Present:**

Greg Schmid, Chair of Committee, Council Member  
 Nancy Shepherd, Council Member  
 Steve Emslie, Deputy City Manager  
 Lalo Perez, Administrative Services Director  
 Rob De Geus, Community Services Division Manager of Recreation  
 Dennis Burns, Police Chief  
 Ken Dueker, Management Specialist  
 Suzan Minshall, Fire Apparatus Op EMT  
 Katie Whitley, Administrative Assistant

**Palo Alto Unified School District Representatives Present:**

Camille Townsend, Board Member  
 Dana Tom, Board Member  
 Cathy Mack, CBO  
 Bob Golton, CBO and Bond Manager  
 Carol Zepecki, Student Services Director  
 Victoria Geen-Lew, PAUSD Risk Manager

Oral Communications

There were no oral communications.

Approval of Minutes – May 26, 2010

MOTION: Townsend moved to approve the minutes from the May 26, 2010 meeting. Tom seconded. Minutes were approved 4-0

Chair Schmid changed the order of the agenda. Item 7 moved to item 3. Item 5 was moved to the September 22 agenda. Item 6 moved to item 4.

Update on Teen Mental Health

De Geus introduced Parks and Recreation Commissioner Sunny Dykwel as an audience member at the meeting today. He said Project Safety Net completed their report. It was comprehensive in how it developed and the plan to move forward. The report is comprised of the best collective thoughts of a large group of people. There are 22 strategies and the recommendations for each.

Townsend asked if the report would be online. De Geus said it will be a public document but it is still in draft until it goes to Council on July 19. De Geus said if anyone has comments they would like incorporated to please send within the next 2 weeks so they can get incorporated before the presentation to Council on July 19.

Zepecki said this report will be the blueprint for the grant they will be applying for. She said she wanted to acknowledge Ken Dueker, Linda Lenoire and Sunny Dykwel for all their hard work on Project Safety Net as well as all the others.

Chair Schmid asked as we move toward fall, what will we be doing. Zepecki said 1) continuing mental health support to students and 2) continue streamlining documents and at the start of school have a plan in place to use the documents. The person who will fill Zepecki's position will continue monitoring efforts.

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Shepherd asked if Project Safety Net was dovetailing on Policy & Services Committee on youth cooperation. De Geus said yes.

Chair Schmid said the next steps are to take the report to City Council on July 19. This topic will remain on the upcoming agendas.

### Budget Update

#### City Budget

Lalo Perez passed out the presentation that had been given to Council on June 21. Perez said this was the most challenging budget he has seen and that we were at the point where we had already done all the one time cut so something permanent had to be done. There was a gap of \$10 million at the beginning of the year. They made significant structural changes to pension switching from the 2.7%@55 to 2%@60. When mid year approached and the gap increased, Council directed staff to come up with options above what was needed just to close the gap. Staff came up with \$9.4 million in options which was \$2.1 million more than was needed to close the gap. Perez said there were a series of budget outreach meetings that the City Manager and the budget team presented to the community. He said the consistent issues from the community were: employee compensation, crossing guards, traffic team and sidewalks. Perez said the Finance Committee put back the crossing guards and 4 out of the 5 of the traffic team were reinstated. He said staff recommended 100% of sidewalk repair be handled by the owner and Finance Committee reduced it to 50%.

Perez said the Long Range Financial Forecast (LRFF) shows that 2011 numbers seem to be more manageable based on the structural changes that were made this year.

Tom asked if our reserves are in the target zone and if the City plans to use it in the next few years. Perez answered they will not use reserves to maintain the AAA credit rating.

#### District Budget

Mak passed out the 2010/2011 budget presentation that was approved at the board meeting on June 22.

Mak started by pointing out the calendar on slide 3. She said what districts and the state are supposed to adopt their budget by. The district has complied but don't know when the state will adopt their budget. Slide 4 points out the current year operation. She said the column titled 2009/10 estimated actuals projection currently projecting a surplus of \$2.2 million and estimated ending balance is \$8.6 for the current year.

She said some one time appropriations from fund balance are set up for professional development which includes \$316k for teachers and \$100k for professional development support for administration. The district needs to pay for 50% of the school resource officer which is about \$83k.

Shepherd asked what the funding is per student. Mak answered \$12,900 per student which is down from this year due to property tax.

On page 5 slide 9 Mak said it shows where the budget situation is compared to the beginning of the school year. For the current year the budget has improved from the beginning of the year. The fund balance has increased from 5.9 million to 8.6 million due to changes made. For example there was a soft hiring freeze and property tax has improved this year as well as other small changes. She said that next year is the reverse. The structural deficit has grown for next year from beginning of the year at \$5.7 million to \$9 million. She said when the governor proposed the state budget there were additional reductions for school districts and property tax revenue changes. She said at the beginning of the year they budgeted at 0% growth and in May based on the information received from the County, coupled with the COLA adjustments and property tax revenue was reduced by 1.5%. The

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PERS rate also increased for next year.

Out of the \$9 million deficit for next year the district is taking a 3 prong approach: additional parcel tax bringing in \$1.7 million, the Board made budget cuts for \$3.8 million and PAUSD will be using \$3.5 million of reserves to help the deficit. Mak said the Board approved budget cuts include: per student allocation fund was decreased, reducing staffing at middle and high school and increasing class size by 1 student in the elementary schools.

Mak said on the 2010/11 proposed budget shows a total income budget is \$150 million and total expenditure is \$154 million and there is a deficit of \$3.5 million that PAUSD will be using reserves for next year.

Chair Schmid said his take from this presentation is that the City and PAUSD share certain things like pensions and benefits issues and the importance of property taxes and there is a common interest to attract families to Palo Alto.

Golton said school districts and cities are under pressure and spending down their reserves and those that don't have reserves are making severe cuts. Over the course of time either the economy will turn around or we will be making the same severe cuts.

### Review of Recent City Council/PAUSD Board Meetings

#### Both the City and PAUSD

##### Budget

Chair Schmid said there was a very short discussion about the Cubberley follow up and the City Manager stated that his understanding of the meeting is that each would go off and discuss roles and responsibilities and that would be before the break for Council. Golton asked if there has been an open session meeting on this topic yet and Emslie answered no.

### Emergency Preparedness Update

Emslie introduced Dueker, Minshall and Chief Burns. Dueker said Fire and Police were working with PAUSD on a number of things and wanted to provide this Committee with an update.

Dueker said one of the things they are working on is developing a more formalized protocol for enhanced collaboration.

Chief Burns arrived and thanked the Committee and PAUSD for allowing the presentation this morning and maintaining the important relationship between the City and PAUSD. Burns turned the presentation back over to Dueker.

Dueker said in summary we are improving the way we work together. The issue of better communication between the City, PAUSD and Stanford has been around for years and we are now able to implement tangible items to improve. For example, the City and PAUSD have both deployed reverse 911 systems but it brings out that the efforts are not coordinated. This is one of the pending projects now being worked on. Another issue is PAUSD has been invited to participate in the City staff emergency preparedness working group/steering committees. The Palo Alto/Stanford Citizen Corps Council is the next layer above that and the idea is to set up logical sectors so that PAUSD has representation in a more formal way. Council directed a youth and school sector in the new Citizen Corps Council.

The other pending collaboration project is a database that allows for preplanning for critical instance at the school. This allows for tactical surveys and photos and load into the database blueprints so that when they arrive on scene they are at the ready.

Dueker said the objective is to have a unified command so when they arrive on campus it is turn-key. We are not there yet but working on it. Code red training is part of that. We are looking to train the staff to augment our resources. A few other highlights include bringing more speakers on to campus,

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expanding the opportunity for youth on volunteers. We have done through PAN block program, adopt the neighborhood watch module. Dueker turned the presentation over to Geen-Lew.

Geen-Lew said there were guest speakers in elementary schools, 2 from Police and 2 from Fire and the topic was courage. The children really benefitted from this and asked lots of questions and this was at Palo Verde. She said in the interest of time she wanted to talk about the Code Red training. The accomplishment from this past school year was that 100% of all schools are now fully trained in code red for all staff. She turned the presentation over to Suzan Minshall.

Minshall said the PAN/PANDA Cert groups continue to be trained. There was a drill last Saturday that went very well. There is the bike safety program that is very active in the schools that is a 2 part series. She said the funding for the emergency volunteer program ran out and the program was stalled but is now back up and running.

Dueker announced we are expecting the arrival of the new mobile command vehicle later this summer. It will serve as back for the Civic Center command center. Dueker is working with Geen-Lew on setting up "show and tells" with the schools.

### Future Meetings and Agendas

There is potentially a Special Meeting on September 1 that would have school opening, update on major topics and standing items on the agenda.

The next regular meeting is set for September 22 and on the agenda is traffic safety as well as the standing items of meeting updates and teen mental health.

### Adjournment

The meeting was adjourned at 9:30 a.m.