

Granite School District

Board of Education Meeting Study Session February 19, 2013

A study session for Granite School District was held in Auditorium D at the Granite School District offices, 2500 South State Street, Salt Lake City, Utah. President Gayleen Gandy called the meeting to order at 5:05 p.m., those in attendance:

Gayleen Gandy	President
Terry Bawden	Vice President
Connie Anderson	Board Member
Connie Burgess	Board Member
Julene Jolley	Board Member
Dan Lofgren	Board Member

Excused:	
Sarah Meier	Board Member

The following members of the administration were present:

Martin W. Bates	Superintendent
David Garrett	Business Administrator/Treasurer
David Gourley	Assistant Superintendent
Mike Fraser	Assistant Superintendent
Jim Henderson	Assistant Superintendent
Linda Mariotti	Assistant Superintendent

Steve Powell, Communications Department, and Merilynn Boekweg, Board Recorder, were in attendance.

STUDY SESSION:

1. Open Meeting Training

Doug Larson, Policy and Legal Services, reviewed the Open and Public Meeting Act (Section 52-4-102). The Board is required annually to review the law and discuss any new

amendments. The Office of Legislative Research and General Counsel compiled an outline of the act including the 2012 updates. Each Board member was given a copy of the update. Mr. Larson emphasized the importance of understanding the law and explained the consequential penalties if the law is not followed. (Exhibit # 13-43)

2. Model for 7-8 Junior High Schools

Principal David Holt, Valley Junior, and Principal Ike Spencer, West Lake Junior, presented the new 7th and 8th grade model for the 2013-2014 school year. Starting next year the 9th grade students who would have been assigned to Valley and West Lake will be attending Granger High. The schools will move to a modified block schedule with an advisory class providing adult advocates for the students. The schedule will offer academic rigor with a focus on growth for all students. Grade level teaming will focus on each student. By teaming, the goal will be for each student to experience success and achievement. Concept mastery for struggling students will be available as well as extensions and enrichments for on and above level students. Both schools have tailored their schedules to meet the needs of their differing population.

Intramural/sports were discussed. Team sports will continue at a school level. Each year for three weeks and followed by 2 weeks of competition between Valley, West Lake and possibly Granite Park will be available. Individual events will take place within the school. Every student who wants to participate may do so. District level competition will still be part of cross country, track and field, and wrestling. The students will participate in their appropriate grade level.

Fine Arts will have a full range of classes offered. Student's requests will determine the number of sections scheduled. Additional opportunities will be offered after school. (Exhibit #13-44)

The Board asked how the teachers are responding to the changes. It was reported that most are ready and willing to go ahead with the model. There are some who prefer to conduct more isolated classes. Professional development and other opportunities will be made available to help them learn the advantages of teaming for students and teachers.

Challenges that will be faced by the schools as well as the positive aspects of the new scheduling were discussed.

3. Affordable Care Act Implications

Dr. Bates explained the Affordable Care Act that will go into effect in January 1, 2014 and would have serious impact on Granite District. He asked Mitch Robison, Budget Development Director, and Donnette McNeill-Waters, Human Resources Director to explain the effects on the district.

Mr. Robison reviewed the Preliminary Budget for Fiscal Year (FY) 2013-2014. The Governor's budget recommendations would increase the Weighted Pupil Unit (WPU) by 1.16% and the Voted/Board levy guarantee from \$27.36 to \$29.97. Adding in property tax growth and employee turnover savings new revenue would be \$4.8M. Required spending increases included Utah Retirement System (URS) rates, electrical costs (new air conditioning units), and fixed costs for opening a new elementary school totaling \$3.75M. When adding on costs of the reduction to the No Child Left Behind Waiver and negotiation considerations the summary total, before the Five Year Framework costs, would be -\$6.9M.

Mrs. McNeill-Waters quoted from the Internal Revenue Service (IRS) and Patient Protection and Affordable Care Act (PPACA) code, "Beginning in 2014, employers with at least 50 full-time employees [30 hours or more per week] are required to offer minimum essential coverage [affordable and adequate] that satisfies the individual mandate and to report to the Secretary of the Treasury ("Treasury") their compliance with the requirement. Employers that do not comply and whose employees receive a premium credit or cost-sharing subsidy will be subject to a penalty."

For health coverage to be affordable the premium is less than 9.5% of W2 wages for employee only coverage and 9.5% less than Federal Poverty Level of one person (\$89.00). The employee's hourly rate x 130 hours per month must also have a premium less than 9.5%. The coverage must be adequate. It must pay at least 60% of the total costs of the plan with the participant paying 40%, excluding the cost of the premium.

Mrs. McNeill-Waters addressed the standard measurement period for temporary or seasonal employees. A measurement period to track employee hours will be determined. The hours worked during that measurement are averaged and must meet 130 hours per month (30 hours per week or more) to be eligible. Granite will be allowed to start their measurement period on March 1, 2013 and end it the latter part of November. This is a onetime only allowance for the 2013 year. The obligations to the eligible employees will begin on January 1, 2014.

Granite's challenges begin with an accounting of employees determined to be working 30 hours per week or more. A list was provided of positions currently authorized to work up to 30 hours and an expanded list of hourly categories that would also need to be considered. A sample of an elementary school showed that an increase for health care could go up as high as \$371,009.34 in one school. An estimate of eligible employees could be 1,000 to 1,200 district wide. A potential liability to the district could be \$14.2M to \$17.1M.

Two potential solutions were discussed. Granite could take no action and offer health care to employees who qualify by working 30 hours or more. This would not impact the students or employees. The financial effect would be significant. Potential solution two would limit all hourly employees to a maximum of 29 hours per week regardless of the number of positions held. The student and financial impact would be minimal to none. However, the employee may experience a loss of hours.

The Board discussed the implications and some varied options. The point was made that the type of coverage an eligible employee may choose (single, spouse or family) could change the estimated financial impact. More discussion and solutions will be conducted as information becomes available.

EXECUTIVE SESSION

Motion: **I move we adjourn into Executive Session to discuss collective bargaining.**

Made by: Dan Lofgren
Seconded by: Connie Anderson

Called for vote: President Gandy
Results: Board Polled – Carried Unanimously

The Board adjourned from Executive Session.

Motion: **I move we adjourn.**

Made by: Dan Lofgren
Seconded by: Connie Anderson

Called for vote: President Gandy
Results: Motion Passed

The meeting adjourned at 7:05 p.m.