7:00 p.m. - Regular Board Meeting

TO: Board of Directors

FROM: George Russell
Superintendent of Schools

RE: Reports and Recommendations

I. ITEMS FOR ACTION AT THIS MEETING

1. Approve Memorandum of Agreement with Eugene Education Association Concerning the 2010-11 work year (Staff: Christine Nesbit)

Action Proposed: To approve the proposed Memorandum of Agreement between the District and the Eugene Education Association concerning the 2010-11 work year.

Background: In June, 2010, the District and the Eugene Education Association agreed that seven (7) work days would be cut from the 2010-11 calendar. That agreement contained an add-back provision requiring the District to restore up to five (5) days, upon the District’s receipt of additional funding. The District and union disagreed over the application of the add-back provision, creating uncertainty about whether the District would be forced to add back furlough days, at a cost of $2.25 million dollars. The uncertainty led the District initiate mid-year staff reductions.

Discussion: Under the terms of the proposed Memorandum of Agreement, no furlough days will be added back during 2010-11, and the add-back provision in Article 10.5.6 of the collective bargaining agreement is a nullity. The proposed Memorandum of Agreement also provides that should the District face another mid-year funding cut during 2010-11, the Board will consider every reasonable option to avoid layoffs. It further provides that the Memorandum of Agreement is a full and final resolution of the dispute between the District and EEA concerning the District’s application of the add-back provision, and that EEA will not grieve or otherwise dispute the District’s decision to maintain furlough days.

Approval of the proposed Memorandum of Agreement removes the uncertainty about whether the District will be forced to add back furlough days and spend $2.25 million dollars.

Recommendation: The Superintendent recommends approval of the proposed Memorandum of Agreement.
II. WORK SESSION

1. Conduct a Work Session on the Superintendent's Sustainable Budget Preliminary Recommendations, Including School Closure/Consolidation Proposals

Tonight's work session provides an opportunity for board members to ask questions and talk with staff about the preliminary recommendations for achieving a sustainable budget, which were presented at the November 3 board meeting.

The Superintendent's preliminary recommendations offered a strategy for achieving a sustainable budget that balances operating costs with projected revenues for the long-term. The district's five-year financial forecast shows a 19-27% operating deficit for 2011-12 and smaller but ongoing deficits in future years due to increasing costs and decreasing resources.

The preliminary recommendations include:

- Reducing staff, services and programs for $12.2 million in cost reductions, including reducing nearly 100 teaching positions and more than 60 administrators and classified staff across the district;
- Reducing the school and work year to achieve $5.7 million in cost savings;
- Negotiating a freeze on pay and contributions to benefits to achieve $1.5 million in savings;
- Reducing materials, supplies and contract services by $1.5 million;
- Revenue enhancements totaling $1.25 million annually;
- Closing six elementary schools for $1.2 million in cost reductions and reconfiguring some schools as K-3 and 4-8 schools;
- Sharing services or contracting out services for $500,000 in cost reductions;
- Reducing athletics and extracurricular activities by 25% for $500,000 in cost reductions;
- Closing six elementary schools for $1.2 million in cost reductions and reconfiguring some schools as K-3 and 4-8 schools;
- Sharing services or contracting out services for $500,000 in cost reductions;
- Reducing athletics and extracurricular activities by 25% for $500,000 in cost reductions;
- Spending reserves and using some of the proceeds from selling surplus properties help balance the budget in the short-term.

Staff will also discuss plans for seeking public and staff input, including a public input session on November 16, a public hearing on November 17, an web input form and other options.

The superintendent plans to deliver a final recommendation at the December 16 board meeting. The board will seek additional input before arriving at a final decision in mid-January.

Copies of the superintendent's preliminary recommendations and background on the school closure and reconfiguration recommendations are included in this packet.

III. Comments and Committee Reports by Individual Board Members

IV. Adjourn

Calendar for Board Members

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Time</th>
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<tbody>
<tr>
<td>Wednesday, November 17</td>
<td>Regular Board Meeting</td>
<td>7 pm</td>
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<tr>
<td>Monday, November 22</td>
<td>Budget Committee Meeting</td>
<td>7 pm</td>
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<tr>
<td>Tuesday, November 30</td>
<td>Legislative Breakfast</td>
<td>7:30 am</td>
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<tr>
<td>Wednesday, December 1</td>
<td>Regular Board Meeting</td>
<td>7 pm</td>
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<tr>
<td>Wednesday, December 8</td>
<td>Board Work Session</td>
<td>7 pm</td>
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<tr>
<td>Wednesday, December 15</td>
<td>Board Meeting</td>
<td>7 pm</td>
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