



Fiscal and Facilities Advisory Committee Meeting

Minutes of the Committee – February 27, 2012

Members present: Brett McFadden, Rick Mullikin, Rich Puente, Francisco Rodriguez, Jack Carroll, Danny Zumaran, Sylvia Mendez, Elaine Legoretta, Jenny Sarmiento, Rhea DeHart, Sharon Gray, Bill Beecher, Andy Hartman

Members absent: Helen Bellonzi, Murry Schekman, Brian Saxton, Michael Jones, Jim Abendschan, Andy Hartman, Kevin Jeffery

Brett reviewed the district's proposed 12-13 fiscal strategy. He explained that the outcome of the governor's tax initiative won't be known until November. Since much of the district's long term budget is predicated on the outcome of that initiative, we won't know our full fiscal picture until well into the next fiscal year. County superintendents met last week to develop a fiscal strategy and common message for the upcoming budget year. The COE wanted us to set aside for a possible failure of the initiative. The district will do that but will not issue any budget related layoff notices on March 15. He feels there are too many unknowns to issue layoff notices now and put people through unnecessary worry for months. The district has sufficient reserves to make thru this year and next. If the worst happens, then we can plan for those reductions next year without putting people thru unnecessary heartaches.

The 2nd Interim Budget Report will be presented to the board on March 14. There will be a variance list showing changes between the 1st Interim and 2nd Interim as well as shifts in major state funds. The Governor's proposal would wipe out dollars owed to schools through Prop 98 and go to a weighted student formula. Another \$10.3 million would be available if the CFT's millionaire tax goes through. Brett said he will show what the budget would look like if the governor's initiative doesn't pass and be prepared to go to our constituents at that time. He also said we will not be implementing Transitional Kindergarten at this time but instead seek to build balances and save money where possible. If the Governor's initiative passes we will maintain status quo.

Brett said the Board approved the Facilities Master Plan at their last meeting. The plan can be found on the construction portion of our website. \$240 million is needed to restore and modernize district facilities over the next 10 to 15 years. Brett will ask the board if we want to do a facilities bond for the November elections. The next step would be to lay out a priority list of projects for the board. With this bond, polling reflected a heavier influence on improving/supporting the instructional program.

We are looking into solar as part of the upgrades to some facilities which may partially offset expenses. Brett mentioned that Aptos High bleachers were red-tagged by the Fire Marshall so we will be replacing the seats to bring them up to code. He also said that deferred maintenance dollars that weren't previously spent will be completely spent in 12-13. We may create a Maintenance and Ops endowment and set aside some of the funds to use as a match for state funding. Overall enrollment is predicted to go up for next three years. Ceiba needs to move to another facility as their lease is up in 2014. Brett said we are meeting with various individuals in the community to ask their opinions.

A question was asked about Tier 3 funds and if categorical monies like the Adult Ed. budget could be shifted to the general fund. Brett said this was occurring now and did not anticipate any further reductions to Tier 3 categorical programs in the near future. Adult Ed has taken the largest share of reductions of any categorical program during the recession. Sylvia Mendez mentioned she appreciates employees not having to go through the terrible process of lay-offs.

The meeting was adjourned at 4:30 pm.