



Fiscal and Facilities Advisory Committee Meeting

Minutes of the Committee - May 16, 2011

Committee members attending: Brett McFadden, Rick Mullikin, Helen Bellonzi, Rich Puente, Francisco Rodriguez, Chris Hertz, Ian MacGregor, Michael Jones, Jenny Sarmiento, Rhea DeHart, Bill Beecher, Kevin Jeffery, Jim Lalanne, Jim Abendschan

Members absent: Murry Schekman, Jack Carroll, Briton Carr, Danny Zumaran, Elaine Legoretta, Nubia Padilla, Sarah Ringler, Sharon Gray

Brett McFadden, Chief Business Officer welcomed committee members and asked for introductions. Jim Abershand introduced himself as a new member saying he has served on the Committee for Good School Governance and Freedom Rotary previously. Brett noted that we need more members including elementary teachers and asked the group to reach out for prospective members.

A sub-committee has been established to make recommendations on district transparency for services not included in the RFP process such as legal and consultant fees. Sub-committee members include Brett McFadden, Bill Beecher, Jack Carroll, Jim Lalanne and Jenny Sarmiento. They have met twice and Brett suggested they could meet again over the summer and include a CSEA representative.

The sub-committee will recommend consultant, legal fees, or new services over \$100,000 would need to go to the board for action or information. Brett suggests sections be developed on the district web page to show annual costs and budgeted dollar amounts. Information could be categorized by fee type with running totals and contract end dates. Brett would like to initiate the reporting process going forward from July 1 as part of the approved policy and will contact sub-committee members to present to the board.

Brett provided a fiscal update announcing that the budget was going to the board on June 22 for adoption. He said that the Governor's May Revise had just come out and lays out changes to the Governor's January budget. It still assumes \$350 ADA per student reduction and still calls for tax

extensions. Brett says he does not see much change in what we had planned for a budget. An important challenge for the district would be another late budget next year from the Governor.

Brett said our budget status is "Qualified" because we will be deficient in our 3rd year and now required to do a 3rd Interim Report. The state paid a portion of prior mandate claims and the district received over \$800,000 this year in one-time funding. The district also received federal jobs dollars this year. As a result, the district will show a higher ending balance than estimated at the start of the FY. Nevertheless, fiscal activity from July 1, 2010 to Jan 1, 2011 showed a deficit of approximately \$5.12 million ongoing.

Ian MacGregor asked what can be done about negative balances in 12-13. Brett answered that state funding goes up and down which we can't control, but we are going to look at fixed costs. The County Office of Education is our overseeing agent and advises us. We are now constructing budget based on a "catastrophic" scenario per the county. A report on the May Revise and June budget adoption will be presented to the board on May 25.

Brett will be developing a budget narrative and eventually wants to move to a user-friendly budget. He recommends viewing the Clovis Unified School District's budget who won an award for best and easiest to budget to understand among California school districts.

Brett spoke about facility planning and the intention to do a long-term Master Facility Plan which would include technology such as phone systems etc. The plan needs to have an instructional emphasis, touch every site, have a solar component, address maintenance problems and finish Pajaro Valley High School projects. The requirement is to complete a study every five years. The existing study was poorly planned and is now out of date.

Rick and Brett have completed the first phase of the study by visiting sites and assessing need. Deferred maintenance money has run out and there is no match from the site to repair aging facilities such as restrooms, roofing, and play structures. District staff is looking at various mechanisms to fund the study. Factors to consider are community willingness to extend or carry an additional load on their taxes to finance a bond measure or parcel tax. We are looking toward the June or November 2012 elections.

There will be no Fiscal and Facilities Committee meeting in June or July. The next committee meeting will be on Monday August 15. The sub-committee can meet during the summer and plan to present the transparency policy to the board after that. They should also focus on development of long-term goals and objectives. Brett will also recommend to the Board that they use the Fiscal and Facility Advisory Committee for long-term facility planning issues and recommends appointing a committee chair.

The meeting was adjourned at 5:30 pm.