

VUSD Budget Advisory Committee 2008-2009 Meeting Minutes

Date: February 24, 2009
Location: ASC Board Room
Time: 4:00 p.m.

Committee Members Present:

JB Barton, Donna Caperton, Ron Ferreirae, Jeff Geyer, Colleen Hervey, Gabriela Hooshmand, Marie Hovel, Ron Kritzeck, David Lacey, Wendy Lamb, Jerry McLeod, Letha McWey, Michelle Nakamura, Steve Riehle, Larry White, Randy Wiens

Advisory Members Present:

Casi Wells

Facilitator: Jeanie Luckey

Recording Secretary: Danica Reed

Agenda Items:

1. Welcome/Pledge of Allegiance/Essential Agreements

- The meeting was called to order at 4:00 p.m. by facilitator Jeanie Luckey
- Pledge of Allegiance
- Review of Essential Agreements

2. Approval of Today's Agenda

- Jeanie Luckey presented the agenda for tonight.
- Colleen Hervey moved to accept the agenda, second by Larry White.

3. Review of February 19th minutes

- Jeanie Luckey asked committee to review the February 19th minutes.
- JB Barton agreed to a recommended change in his quote on page 2. The 1st sentence should read: "The VUSD School Board should continue to review the programs that are currently *a part* of the District's short term and long range plans for students within the."

4. Public Input on Agenda Items

- Alejandro Sanchez, parent, shared his concerns regarding February 19th minutes, page 2, Agenda Item #5, Recommendation #1. Mr. Sanchez stated that he would like this recommended committee to be made up of new committee members. He also stated that he requested all current recommendations from this committee be translated into Spanish.
- Robert Pack was not present at the time Public Input on Agenda Items was addressed.

5. Update of State Budget on VUSD Financial Status

- Donna Caperton thanked Casi Wells for spending the past several days and her weekend working on the final figures needed to complete the reports for the BAC tonight.

- Donna briefly shared what the governor's budget looks like at this time and how it affects VUSD:
 - 08-09 and 09-10 has a 13% deficit in revenue limit.
 - Different level types of flexibility in categorical cuts
 - Most categorical funds will be cut 15% in 08-09, and about 5% in 09-10.
 - We now have to cut \$4.02 million in the 08-09 budget.
 - We now have to cut \$11.7 million in the 09-10 budget.

Keep in mind that the District had to cut categorical programs for the 08-09 and 09-10 year because the state pulled a portion of the revenue and the District had to pull the expense. The amounts indicated above for cuts reflect the decrease in revenue/expense for categorical programs. One cut was to the School Improvement Program (SIP).

The District added back the 5% allocation for 08-09 that was taken at the onset of the budget crisis and adjusted the amounts based on CBED's enrollment numbers. The amount in the SIP accounts has changed due to the state taking away the 15% and 5% in 08-09 and 09-10.

09-10 site allocations for categorical programs will be based on what the Board decides as to which programs stay, change, or will be reduced (flexibility).

The undesignated fund balance will be most likely used in 10-11.

- Donna stated that the hold on site funds may be released at the end of March once the District has completed a cash flow analysis based on what the new budget act says where the deferrals will be. Because the state took a portion of the District funds, all sites will see a decrease in SIP funds. School site councils will have to re-look at their available balance and re-evaluate how they wish to spend based on their priorities. SIP budgets reflect adjustments made today (based on CBEDS) and can be reviewed by the sites online in the financial system.
- A request was made by a committee member for the list that the Board will be receiving regarding categorical funds and those considered for flexibility including the *one time only*. Ms. Caperton will e-mail the list to the BAC members on Wednesday.

6. Review Proposed Budget Cuts-Currently Approved

- Ms. Caperton addressed several changes to the Option 1 and Option 2 lists:
 - Remove wording on line 4: "Eliminate 1 Transportation Supervisor (included in total) on the *Recommended Budget Advisory Committee (BAC) Budget Cuts for 09-10 Option 1* list.

Donna explained pages 2 through 9 in tonight's handouts. Pages 6 or 8 (Option A or Option B) needs to replace the proposed 100% elimination of transportation (line # 4) on the *Recommended Budget Advisory Committee (BAC) Budget Cuts for 09-10 Option 2* list.

Following discussion regarding Option A and B, Ms. Luckey asked for a vote:
Option A replaces line 4 on Option 2: 16 yes. All agreed. Passed.
Option B replaces line 4 on Option 2: 16 no. Defeated.

- Correct Unrestricted Ongoing dollar figure to: \$135,282 on both Option 1 and Option 2 lists.
- Ms. Caperton addressed page 1 in tonight's handouts. She answered questions regarding positions listed. A committee member requested that line #18 on Option 1 and Option 2 reflects the \$647,050 figure presented from page 1.
- A motion was made to eliminate the 2008-09 third Benchmark test at all grade levels. Ms. Luckey asked for the vote: 8 yes, 8 no. Does not pass.

Donna gave updated totals:

Option 1: Unrestricted Ongoing - \$7,736,556 Grand Total - \$8,880,411.

Option 2: Unrestricted Ongoing - \$8,433,355 Grand Total - \$9,577,210.

- Donna was asked by a Board member to provide to the Board a list of items that the committee had reviewed, not passed, and present as part of the Budget Report at Thursday's Board Meeting.
Ms. Luckey called for the vote: 15 yes, 1 no.

5 minute break

Donna gave update on what the Options are short as of now:

Option 1: \$2,877,587

Option 2: \$2,180,788

- Ms. Caperton explained that the Board will need to make the tough decision on categorical flexibility on a variety of programs. Roughly, \$6.5 million in categorical flexibility dollars are available to balance the budget in 09-10. Casi Wells assisted Donna in answering questions regarding flexibility option examples.
- Donna briefly explained the "Exhibit A" list (precautionary layoff list) that was generated by Certificated Human Resources. "Exhibit A" is available to everyone on the District website under board meeting information. Questions regarding "Exhibit A" should be directed to Myrna Vallely.
- Update on the Special Education independent evaluation results: a draft was received yesterday and is being reviewed for accuracy. Any recommendations would be a gradual process because it may affect student's Individual Educational Plan (IEP). If there are any changes, they would not go into effect until next year.
- To consider Class Size Reduction as a cut, is a negotiable item. Donna will note the governor's suspension for the Board. To eliminate CSR is NOT a negotiable item.

- A motion was made for a list showing eliminations vs. reductions in a two column format. Ms. Luckey asked for the vote: 14 yes. (two members left at break).
- A committee member asked about using Adult Education as part of the flexible funding. Donna indicated that she did look briefly at Adult Education and there is a possibility of flexibility that can be used. First she needs to meet with the Adult Ed principal before presenting anything to the Board.
- Clarification was given regarding the use of reserve funds and the Mission Vista High School reserves funds as a one time designation. A committee member asked that Donna present to the Board a detailed accounting of the designations in the fund balance reserve. For example, \$1.8 million has been set aside to repay the special education consortium; however, the District does not start repayment until COLA is funded. At that time, the District will pay \$250,000. Another designation in the fund balance is the \$2.5 million set aside for opening Mission Vista High School. Maybe the amount is not needed and can be used to assist in balancing the budget. Donna agreed to provide a detailed accounting of the reserve designations at the Budget presentation to the Board.
- Clarification was given regarding consultant fees for facilities and the amount paid that can be allocated to appropriate accounts. Donna will identify what should be charged to other funds and make adjustments during the year end close of the financial records.
- A motion to recommend to the Board that in the event the Board identifies more categorical flexibility which could reduce the amount of General Fund cuts, the Board would reconvene the Budget Advisory Committee in order to prioritize stated budget cuts and reinstate, based on priority, the previously stated budget cuts. Ms. Luckey called for the vote. 15 yes. All agreed. Passed.

7. Additions/Changes to Proposed Budget Cuts

- No additions/changes stated.

8. Public Input on Non-Agenda Items

- Eduardo Preciado, parent at Hannalei, shared his concern on eliminating transportation and the safety issues when children walk to school with no sidewalks.
- Alejandro Sanchez, parent, shared his concern that the committee does not have a diverse representation.
- Silvia Peters, Thanked Donna Caperton for her work. Ms. Peters stated that she would like to see the committee members list reflect who elected or appointed them and how long the term limit is. She also shared her concern regarding diversity, the lack of representation from special education and low income families.

9. Budget Articles

10. Future Meeting Dates

- Thursday's Board Meeting starts at 7:30 p.m. at Foothill Oak Elementary. BAC members will be seated in the first two reserved rows

11. Adjournment

- Meeting adjourned at 6:03 p.m.