

Board Study Session Agenda
April 10, 2018: 5:30 pm to 8:00 pm

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Welcome and Purpose (Hendricks)

- A 2017-2020 Three Year District Wide Program Plan, and Board and Superintendent Goals, established at the start of the 2017-18 school year have provided an excellent roadmap for program initiatives and accountability within the district. Periodic reviews during board meetings, and Friday Updates have been provided to the board throughout the 2017-18 school year. A program review will not be a focus for tonight's meeting, however program goals should always be at the forefront of all financial decisions.
- The Budget Study Session portion of the meeting will provide an update of the financial status of the district and an opportunity for staff to interact with the board to plan the 18-19 fiscal year budget within the program framework established by the three year plan, board and superintendent goals, and Budget Assumptions and Guidelines.
- The Second Interim multi-year projection prepared as of January 31, 2018 will provide the basis for the discussion, and will build from that point in time, reflecting the most current revenue information provided by the Department of Finance. An interactive MYP will be presented to demonstrate the financial impact of budget requests on the long-term financial solvency of the district.
- We will then move into a Facilities Study upon completion of the budget portion of the meeting.
- A brief synopsis will be presented by staff for each agenda item with time allocated for board interaction and questions.
- Two and 1/2 hours are allocated for the meeting.

Budget Study

1. Budget expenditure requests for consideration for the 2018-19 budget year. (Phan)

A few years ago, the board began allocating an additional \$300,000 to facilities projects due to the state eliminating funding to support deferred maintenance. After about a five year freeze, the State Allocation Board is again funding facilities projects, and the district is in line to receive funding for the Sherwood and Woodrow Modernization projects that were both completed in 2014. The funds will provide additional funding for priority facilities projects.

It is recommended that the board reduce this allocation to \$100,000 beginning in fiscal year 2018-19, and re-direct \$200,000 (phone system and technology) to two other critical needs.

New Phone System: \$100,000 per year until completed. No additional impact (Patten and Perez)

The current phone system is working but has become obsolete, and will no longer be supported by Toshiba. The cost is roughly estimated at \$1.5 to \$2.0 million to replace. Currently, we are estimating that the district office phone replacement will cost \$45,000. The Business and Technology Departments are preparing an RFP that will be competitively issued and advertised before the end of the fiscal year. The recommendation is to pay for the system by reducing the \$300,000 transfer to Deferred Maintenance to \$100,000 and allocate \$100,000 per year towards a new phone system. This will result in no additional impact to the general fund.

Fingerprinting: \$15,000 (Roddick)

Per Board request, district staff has researched possible options for fingerprinting volunteers at school sites and the cost impact to the district. It is estimated the cost of fingerprinting for all volunteers, would cost the district approximately \$15,000.

Custodian Rover: \$32,291

Currently, we have a pool of ten substitute custodians. Of these ten, two are retired and can only work for us a certain number of days during the year. There are also three in our pool that cannot work a full eight hour shift. The hiring process for the substitute custodians is not easy, and often candidates do not show up for their scheduled interview. Even though we have grown our substitute custodian pool, it is difficult to secure substitute custodians. On occasion we are unable to fill an absence and we are forced to move employees to a different site to cover an absence. When this occurs it leaves a site short of required custodial time to achieve proper cleaning standards.

There is rarely a day when at least one custodian is not absent, and with an added rover both employees would be trained to work at every school day or night, the multi-site position which includes (district office, food service, child care, corp yard), and also be trained to sub for grounds and warehouse employees.

On the rare occasion when a rover position is not needed to sub for an absence, the rover will be sent to sites on a rotating basis to provide additional help at a site. When this occurs they can detail offices, classrooms, tile floors and clean carpets. They can also assist with the exterior of the buildings by picking up litter, washing windows, sidewalks and walk ways, pressure wash buildings and take care of anything else that gets done periodically throughout the year. A rover custodian can also assist the maintenance department with the many moves that occur each year as teachers change sites. Adding an additional custodian rover position will be extremely helpful.

The estimated cost for an additional Custodian Rover is \$67,430, but will be offset by the savings in substitute custodian costs estimated at \$35,140.

Cost of Custodian			Cost of Custodian Sub		
Range 14, Step 4		41,746	Rate of Pay		16.39
Statutory Benefits for 18-19	26.60%	11,104	Statutory Benefits	8.50%	1.39
H&W at Family Rate	1215	14,580	Total Hourly Rate		17.78
			Hours Per Day		8
			Daily Rate for Sub		142.27
			# of Work Days in Yr		247
Total Cost of Custodian		67,430	Cost for sub to work 247 days		35,140
			Difference		\$32,291

Safety Plan Supplies: \$100,000

Due to the recent school shootings, safety concerns have been in the forefront of many school districts, including SUSD. At SUSD, the safety of our students and staff is our top priority. Obtaining the appropriate supplies, equipment, and having emergency and safety measures and processes in place are of the utmost importance.

The SUSD Incident Command Committee (ICC) will release a survey asking school site principals and assistant principals for their input on additional safety items the schools need or supplies that need to be replaced. Additionally, the ICC will complete an inventory of school sites and department radios, where they were located, who has access to them, and where additional radios are needed. The results will be shared with the board when this survey is completed.

In the meantime, the ICC has compiled a list of safety items and the estimated costs for each. Once the survey responses have been reviewed and evaluated, the items and amounts below will be updated

as additional information is gathered. There will be a larger one-time initial cost, and then an on-going cost as items need to be replaced.

Description	Estimated Cost	On-going/One-Time
Additional safety/door locks/sliders	\$200 X 200 = \$40,000	One-Time
Additional safety buckets and restock supplies	\$100 X 20 = \$2,000	On-going as needed
Traffic cones, signs, signals	\$3,000	On-going as needed
Safety vests for yard/AM/PM/noon duty	\$50 X 13 X 5 = \$3,250	On-going as needed
Communication devices, additional/replacement radios	\$5,000	On-going as needed
Peepholes for all doors	\$2,000 X 13 = 26,000	One-Time
Emergency Management System (Aeries, Catapult CMS, or other vendor)	\$9,399	On-going subscription
Other items to be determined	\$10,000	TBD
TOTAL Estimate	\$98,649	

Technology Budget: \$100,000 (Patten)

Chromebooks used at school sites are near the end of their usefulness and ready to be replaced. They were originally purchased in 2014-15 fiscal year. They cannot be upgraded to the latest operating system and are very slow. A Friday Update was provided on March 23rd, 2018 from the Technology Department. The Technology Department is also updating the 2018-2021 District Technology Plan DRAFT and it is nearly complete.

The cost for a new device is estimated at \$450 for new iPads with protective case and \$300 for chromebooks with protective case. Efforts will be also made to trade-in existing older iPads to lower the cost of purchasing new devices and is estimated at \$45 per Ipad 2's. For purposes of this presentation, we are placing a cost of replacement for either device at \$375. Estimated replacement costs will be more fully developed in the Technology Plan DRAFT

3,000 replacement devices are needed for 6th, 7th and 8th grades over the next 3-4 years. The total estimated cost is \$1,125,000 (\$375 X 3,000). We can stagger the purchase and buy 1,000 devices a year for the next 3 years, i.e. \$375,000 in 2018-19, \$375,000 in 2019-20, and \$375,000 in 2020-21. Additionally, the oldest I-pads are with 6th grade so replacement for 6th grade would occur in 2018-19, 7th in 2019-20, and 8th in 2020-21.

The chromebooks/I-Pads that are replaced with newer technology will be redistributed to the primary grades to support technology integration for grades TK-2nd grade, or traded in if available for trade-in. The State Board of Education has advised that all approved textbook adoptions must include components for digital textbooks, e-books, and other interactive material. Primary grade teachers can utilize the additional chromebooks/I-Pads to support literacy workstations and independent reading aligned to our current English Language Arts adoption. The redistributed chromebooks/I-Pads will also be distributed to child care and boys and girls club to support the homework assistance component of both programs until the devices are no longer usable.

It is recommended that the district continue to provide 1:1 I-pads for all middle school students, and replacement chromebooks for elementary school as replacement becomes necessary.

Beginning in 2018-19 fiscal year, district staff is recommending to have a dedicated ongoing contribution of general fund revenues to fund future classroom technology and replacements. Similar

to how we have set aside funds for textbooks, and set aside \$100,000 annually for classroom technology. A separate local resource number can be established to track the funds and expenditures. For 6th grade devices that need to be replaced beginning with the 2018-19 budget, the replacement cost can be budgeted from existing textbook funds until the point that sufficient dollars are set aside to maintain an on-going replacement plan.

Textbooks Adoption: No additional impact

Two rounds of textbook adoptions are expected for the 2018-19 budget year: History/Social Sciences and Next Generation Science Standard's. The Educational Services department has reported the selection process for History Social Science Adoption previously planned to be expended during the 2017-18 fiscal year will not be expended until the 2018-19 fiscal year. (See the March 16th Friday Update.) The total budget amount for textbook adoption is projected at \$4.4 million to include I-Pad replacement for 6th grade.

It is recommended that all one-time funds be allocated for textbook adoptions or other one-time purposes. The board previously provided direction to staff to budget one-time funds to replace textbooks.

Fund Source	Amount	Notes
General Fund Set-Aside (RS 0617)	\$3,200,000	- Funding from board approved ongoing \$450,000 per year contribution - One-time 2018-19 Discretionary Mandate Reimbursement - One-time 2017-18 workers' compensation refund
Lottery, Restricted for Instructional Materials (RS 6300)	\$1,200,000	- Due to the timing of the State's release of its Adoption "Tool Kit," textbook expenditures originally expected in 2017-18 will be carried over to next year, 2018-19

2. Budget Assumptions for the 2018-19 Fiscal Year (Phan)

The purpose of the budget assumptions is to provide the District with an infrastructure for preparing the budget. The predominant influence on the following assumptions is the Governor's proposed budget for the State of California. Other assumptions will be based upon District input and prior year trends as well as external sources or conditions when appropriate. The following assumptions will be used in generating the budget for the 2018-19 fiscal year.

Enrollment and ADA (Average Daily Attendance) for Revenue Purposes

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Enrollment	8,190	8,102	8,058	8,038	8,018	7,998
<i>Previous</i>					8,033	8,010
Increase / (Decrease)	(93)	(88)	(44)	(20)	(20)	(20)
ADA	7,865	7,761	Reported 2017-18 P-2 ADA 7,717	7,698	7,679	7,660
<i>Previous</i>			7,733	7,714	7,709	7,687
Increase / (Decrease)	(93)	(105)	(44)	(19)	(19)	(19)
3-Year Average Retention	96%					

Staffing Guidelines

- **Grades TK - 3** = Average (24.0) / 1 (Target for each class will vary based on grade and school enrollment to ensure compliance with GSA requirements.
- **Grades 4 - 6** = (32.0) / 1
- **Grades 7 - 8** = (32.0) / 1

Local Control Funding Formula

- Full implementation of LCFF is proposed by the Governor for fiscal year 2018-19
- Funding is based on using the latest FCMAT (Fiscal Crisis & Management Team) LCFF calculator (v18.2d) which includes the following factors:

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
COLA	0.00%	1.56%	2.51%	2.41%	2.80%	3.17%
Gap Funding %	56.08%	44.97%	100.00%	100.00%	100.00%	100.00%
UPP	54.94%	55.76%	55.35%	55.35%	54.47%	54.47%
<i>Previous</i>		55.71%	55.71%	55.71%	56.03%	56.03%
(Unduplicated Pupil Count)						

	<u>2018 - 19</u>		
	<u>TK - 3</u>	<u>4- 6</u>	<u>7 - 8</u>
Base	\$7,374	\$7,484	\$7,707
Class Size	\$767	\$0	\$0
Supplemental	\$901	\$828	\$853
<i>Previous</i>	\$907	\$833	\$858
Concentration	\$14	\$13	\$13
<i>Previous</i>	\$28	\$25	\$26

Federal, State, and Local Revenues

- Below are dollars set aside in a locally defined account:
 - Instructional Materials adoptions, \$450,000 ongoing set-aside
 - One-time Discretionary funding set aside for textbook adoption
 - \$2,295,312 estimated
 - Pupil Transportation approximately \$950,000
 - Approximately \$325,000 of the \$425,000 set aside for Professional Learning will be carried over to fiscal year 2018-19
- Federal, State, and Local revenues were adjusted for COLA with the following percentages:

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
COLA	0.00%	1.56%	2.51%	2.41%	2.80%	3.17%

- Federal State, and Local revenues will be adjusted for one-time revenues and estimated Federal carryover.

- Unrestricted Lottery (RS 1100) revenue will be calculated at \$146 per unit of annual attendance, currently estimated at \$1.1 million.
- Restricted Lottery (RS 6300) revenue will be calculated at \$48 per unit of annual attendance, currently estimated at \$373,000.
- The District receives Special Education funding based on its average daily attendance entered into a formula by the Special Education Local Plan Area (SELPA).

Salaries and Benefits

- Step increases will be reflected for those employees who qualify for movement based upon their longevity with the District.
- Column increases will be budgeted for those certificated employees who have indicated completion of the required number of units.
- Vacancies created due to retirements or employees indicating the intent not to return are budgeted as follows:
 - Certificated: Class D, Step IV
 - Classified: Step 2, Range per Classification
 - Administrative: Step 3, Range per Classification
- The Sylvan Education Association has a tentative agreement for the 2017-18 school year with a 1.56% increase to the certificated salary schedule.
- The California School Employees Association has a tentative agreement for the 2017-18 school year with a 1.56% increase to the classified salary schedule.
- For federally funded programs, the positions allocated are reflective of the funding available.
- Salaries and employee benefits previously funded with Educator Effectiveness (program to end June 30, 2018) will be transferred to the unrestricted general fund estimated at \$130,000.
- A 1.0 Psychologist FTE will be added and will be paid from LEA Medi-cal Billing funds to support increasing caseloads from the addition of special day classes and testing referrals.
- Health insurance premium increases for the budget year for Sutter, Kaiser, Dental and Vision are estimated at 7%.
- The following are employer contribution rates for the projected years:

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
STRS	12.58%	14.43%	16.28%	18.13%	19.10%	19.10%
PERS	13.888%	15.531%	17.7%	20.0%	22.7%	23.7%
Previous PERS %	-	-	18.1%	20.8%	23.8%	25.2%
SS	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
Medicare	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%
SUI	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%
W/C	1.1%	0.8%	0.8%	0.8%	0.8%	0.8%
Certificated	15.18%	16.73%	18.58%	20.43%	21.40%	21.40%
Classified	22.688%	24.031%	26.20%	28.5%	31.2%	32.2%

Supplies, Services, Capital Outlay, and Other Outgo

- School sites receive an allocation for instructional and non-instructional materials based on a formula as follows:
 - Grades K-5 \$51.16 / enrolled
 - Grades 6 - 8 \$66.93 / enrolled
 - \$150.00/Classroom Teacher
- Approximately \$4.4 million (previously \$2.7 million) has been set aside for textbook adoption.
 - Of the \$4.4 million, \$1.2 million will be funded with restricted Lottery funds that were originally planned for 2017-18, but will now be carried over to 2018-19.
 - Additional funding will be needed for Next Generating Science Standards adoption.
- Actual costs for special education are dependent on the type of services that the District is required to provide each individual student. For the District to provide these specialized services, a contribution from General Education Funding is necessary. The contribution for 2018-19 is projected to be approximately \$12.8 million.
- The following are projected increases or savings over prior year for utilities:

○ Natural Gas	10.00%	
○ Electricity	2.00%	Previously, -5%
○ Water, Sewer & Storm Drain	3.00%	
○ Telephone	5.00%	
○ Trash Disposal	3.00%	
- Liability insurance rates are projected to increase by 5% over the 2017-18 rates as advised by the District's Risk Manager.
- Induction costs, professional development and consultant fees previously funded with Educator Effectiveness (program to end June 30, 2018) will be transferred to the unrestricted general fund estimated at \$150,000.
- The Stanislaus County Office of Education (SCOE) master agreement (\$299,553) has been approved by the board on March 20, 2018.
 - County services include Audiology Screening Services, Internet/Telecommunications Access, Media Streaming, Mail Delivery, Teacher Induction Program, Administrator Induction Program, and Information Systems for accounting, budget, and human resources. Outdoor Education for 6th grade students under a separate agreement has also not been received. It is a four-day program at Foothill Horizons.
- Pupil Transportation expenditures for 2018-19 are planned to be \$960,000. Under the Local Control Funding Formula the district must expend no less than the amount expended in 2012-13, \$200,268 of State funds.
- The Debt Service payment for the budget year to pay for the California Energy Commission (CEC) loan will be \$73,085.
- As a requirement of receiving state General Obligation bond funding for facilities, pursuant of Education Code 17070.75, 3% of General Fund expenditures must be set aside in a Routine Restricted Maintenance Account.
- The annual transfer to the Facilities Improvement account in the amount of \$300,000 to provide funding for facilities projects will now be transferred to Deferred Maintenance and expensed, managed, and operated in that fund.
- Inter-program indirect costs will be calculated at the maximum allowable rate per program. The District's indirect cost rate is yet to be determined.
- Cafeteria Fund will be charged indirect costs using the district rate or Cafeteria rate, which ever is less. Education Code Sections 38101(c) and 52616.4(a)(3) specify that the indirect cost rate for Cafeteria Funds is the lesser of the school district rate or the statewide average rate.

- Direct costs will be charged to the Childcare Fund for staff time to support the program, use of facilities, and transportation services.
- One-time expenditures and CPI (consumer price index) will be applied in resources, programs, and object categories as applicable.

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
CPI	2.63%	3.18%	3.22%	3.04%	2.94%	2.99%

Transfers to Other Funds

- The following interfund transfers are assumed to be ongoing:

\$300,000	To Fund 14 - Deferred Maintenance
\$337,000	To Fund 20 - Special Reserve for Postemployment Benefits
\$200,000	To Fund 40 - Special Reserve for Buses
\$25,000	To Fund 40 - Special Reserve for Equipment Replacement
<u>\$862,000</u>	

Balances

- Reserve for “Economic Uncertainty” of 3% will be maintained.
- Insurance Deductible Set-aside for insurance claims is estimated at \$200,000.
- Funds set aside for Professional Learning and Textbook Adoption will be reflected in the Unrestricted Components of Ending Fund Balance.

Other Budget Considerations

- The budget is developed in support of the Local Control and Accountability Plan (LCAP). The purpose of the LCAP is to provide information on services and programs planned by the District to support positive student outcomes across a broad spectrum of areas. The LCAP and the proposed budget documents are presented to the Board of Trustees concurrently for adoption at one meeting.
- The District’s budget will be built with the information proposed by the Governor in the May Revise.
- The increase of minimum wage to \$15.00 by \$1.00 per hour each year beginning January 2017 through January 2022 will have a financial impact that is unknown at this time. However, it is under review by staff.

End of Budget Assumptions

3. Budget Guidelines (Revised 2015-16) (Phan)
 - A. Continue to provide an effective and current educational program, which meets District and state standards at all grade levels, shall be the prime consideration in developing the budget.
 - B. Budgeted expenditures shall not exceed income plus any carry over from prior years.
 - C. Board goals, directions, and priorities will be a driving force in the development of the budget to the extent allowed within the available funding.
 - D. When the Board authorizes or approves a new goal, project, or program, it shall specify the allocation or reallocation of resources required.
 - E. When new projects, plans, or programs are presented to the Board for approval, the estimated fiscal impact of the project and available funding sources shall be included. Upon approval, the budget shall be adjusted as deemed appropriate based on the availability of funds.

- F. Funds shall be made available in the budget to support current and anticipated collective bargaining commitments in accordance with AB 1285.
- G. The budget shall include a General Fund Reserve for Economic Uncertainty of no less than 3% of the total General Fund appropriations in classes 1000 through 7000.
- H. Staffing shall be maintained so as to appropriately carry out Board policies, support future growth, and honor collective bargaining agreements.
- I. All employees will be provided competitive salary and benefits packages that reflect a level of incentive sufficient to continue to attract and retain qualified people.
- J. Furniture and equipment replacement will be funded to the extent that can be justified in relationship to available resources.
- K. Supply and equipment formulas in effect for the current year shall be reviewed and adjusted as necessary.
- L. Allowance shall be made for increases and/or decreases in the cost of services and supplies; e.g., gasoline, natural gas, electricity, insurance, water, postage, trash collection, telephone services, lease agreements, debt repayment, employee retirement contributions, or benefits mandated by law.
- M. Unless there is a mandated level of General Fund participation, all categorical programs shall be self-supporting and, where allowable, shall include allocations for indirect and support costs. Special Education and Transportation are not recognized as self-supporting; however, a goal of self-support shall be maintained. An annual review of each of these programs shall be conducted to ensure as much of a reduction in the use of General Fund dollars as possible.
- N. The Cafeteria Fund, Child Care Fund, and Associated Student Body funds shall be self-supporting and, where allowable, shall include allocations for direct, indirect, and support costs. An annual review of each of these funds/programs shall be conducted by the Business Department to ensure they are self-supporting.
- O. The Multiple Year Projection budget document shall display General Fund Unrestricted and Restricted revenues and expenditures. This budget document shall be itemized by major revenue and expense categories. Revenues and expenses shall be displayed for the prior year, current year, and projected two years into the future. Detailed budget information shall be available so the Board and the public can examine the components of a specific program.
- P. All Special funds, such as Building, Cafeteria, Capital Facilities, Special Reserve Funds, etc., shall be shown separately in a format similar to the Multiple Year Projection budget document.
- Q. The budget development process will include user friendly information that provides disclosure of anticipated beginning balances, revenues, expenditures and ending balances for all of the District's funds. This information will be provided to highlight the intended uses of these funds during the budget year.
- R. A separate accounting shall be maintained to portray the receipt and expenditure of Lottery funds. Lottery funds received in the current fiscal year are not expended until the following fiscal year.
- S. Provisions shall be made for an orderly program to preserve the use and value of existing facilities and equipment through capital improvements and preventive maintenance to the extent allowed within the available funding.
- T. Any/all debt service obligations shall be included in the budget.
- U. Start-up and ongoing expenses related to bringing new schools online shall be identified and budgeted within sufficient time to allow for the adequate transition to the opening of new schools.
- V. All carryover funds in Federal categorical programs are considered restricted balances and will be continued as deferred income.

End of Budget Guidelines

4. MYP 2nd Interim Report Modified to Include Impact of Budget Requests described on pgs 1-4 (Phan)

UNRESTRICTED	2016-2017 Unaudited Actuals	2017-2018 2nd Interim Budget	2018-2019 Projections	2019-2020 Projections
REVENUES	COLA 0.00%	COLA 1.56%	COLA 2.51%	COLA 2.41%
Local Control Funding Formula (LCFF)	\$ 64,149,318	\$ 65,206,189	\$ 68,711,930	\$ 70,308,072
Estimated Increase in ADA		-	-	-
Federal Revenues (MAA)	100,831	51,751	-	-
Other State Revenues	1,417,479	1,435,696	1,435,483	1,462,813
One-Time Mandate Reimbursement	1,687,542	1,143,299	2,295,312	-
Other Local Revenues	629,241	520,003	532,880	545,554
One-Time Wrks. Comp.	807,000	803,000	-	-
Total Revenues	\$ 68,791,411	\$ 69,159,938	\$ 72,975,605	\$ 72,316,439
OTHER FINANCING SOURCES				
Interfund Transfers In	\$ -	\$ -	\$ -	\$ -
Other Sources	-	-	-	-
Contributions To Restricted Programs:				
Special Education (RS 6500)	(11,011,523)	(12,608,072)	(12,801,977)	(13,192,986)
Ongoing & Major Maintenance (RS 8150)	(2,400,861)	(2,608,798)	(2,556,394)	(2,535,197)
Facilities Improvement (RS 9225)	(1,961,318)	(300,000)	-	-
Total Other Financing Sources	\$ (15,373,702)	\$ (15,516,870)	\$ (15,358,371)	\$ (15,728,183)
TOTAL REVENUES and OTHER FINANCING SOURCES	\$ 53,417,709	\$ 53,643,068	\$ 57,617,234	\$ 56,588,256
EXPENSES				
Certificated Salaries	\$ 31,226,622	\$ 31,392,101	\$ 31,519,962	\$ 31,619,543
Classified Salaries	6,576,600	7,073,557	7,261,777	7,383,760
2017-18: Cost of 1.56% salary increase, on-going		912,232	988,232	988,232
Custodian Rover		32,291	32,291	32,291
Fingerprinting		15,000	15,000	15,000
Safety Supplies/Equipment One Time and on-going (est)		-	100,000	35,000
			-	-
Employee Benefits				
STRS	3,943,450	4,621,653	5,134,559	5,735,670
PERS	791,906	984,168	1,285,335	1,476,752
Social Security	364,475	404,635	450,230	457,794
Medicare	514,906	544,267	562,335	565,549
H&W	3,787,299	3,930,809	4,205,965	4,500,383
SUI	17,794	19,106	19,390	19,501
W/C	391,199	352,360	310,254	312,028
OPEB	340,626	329,794	329,794	329,794
Other Benefits	320,777	344,495	344,495	344,495
Other Supplies & Materials	843,522	1,069,002	943,940	1,000,689
State Adopted Textbooks & Instructional Materials (Partially funded w/ Restricted funds)	1,933,813	-	3,200,000	700,000
Services & Other Operating Expenditures	2,773,265	3,262,795	3,366,129	3,378,739
Printing Services for Adopted Textbook Consumables	33,701	48,576	48,576	48,576
Capital Outlay	25,000	9,000	-	-
Other Outgo	121,635	197,959	197,959	197,959
Direct Support/Indirect Costs	(694,543)	(891,696)	(920,409)	(948,390)
Total Expenses	\$ 53,312,046	\$ 54,652,104	\$ 59,395,814	\$ 58,193,365
OTHER FINANCING USES				
Interfund Transfers Out	\$ 562,000	\$ 562,000	\$ 862,000	\$ 862,000
Other Uses	-	-	-	-
Total Other Financing Sources & Uses	\$ 562,000	\$ 562,000	\$ 862,000	\$ 862,000
TOTAL EXPENSES and OTHER USES	\$ 53,874,046	\$ 55,214,104	\$ 60,257,814	\$ 59,055,365
BEGINNING FUND BALANCE	\$ 15,516,670	\$ 15,060,333	\$ 13,489,297	\$ 10,848,717
NET INCREASE/(DECREASE) IN FUND BALANCE	\$ (456,337)	\$ (1,571,036)	\$ (2,640,580)	\$ (2,467,109)
ENDING FUND BALANCE	\$ 15,060,333 18.82%	\$ 13,489,297 15.45%	\$ 10,848,717 12.73%	\$ 8,381,608 9.92%
GENERAL FUND - COMPONENTS OF ENDING FUND BALANCE				
Nonspendable: Revolving Cash & Prepaid	\$ 90,800	\$ 10,000	\$ 10,000	\$ 10,000
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	1,842,392	2,509,214	1,403,123	968,842
Insurance Deductibles	200,000	200,000	200,000	200,000
Professional Learning	425,000	288,532	135,705	-
Classified Retro	401,134	-	-	-
Textbook Adoptions	816,258	2,020,682	1,067,418	768,842
Unassigned/Unappropriated	2,400,860 3.00%	2,618,988 3.00%	2,556,394 3.00%	2,535,197 3.00%
Reserve for Economic Uncertainties (REU)	2,400,860 3.00%	2,618,988 3.00%	2,556,394 3.00%	2,535,197 3.00%
Unassigned/Unappropriated Amount	\$ 10,726,281 13.40%	\$ 8,351,095 9.57%	\$ 6,879,200 8.07%	\$ 4,867,569 5.76%
TOTAL COMPONENTS OF ENDING FUND BALANCE	\$ 15,060,333 18.82%	\$ 13,489,297 15.45%	\$ 10,848,717 12.73%	\$ 8,381,608 9.92%
	2016-2017	2017-2018	2018-2019	2019-2020

The Governmental Finance Officers Association recommends two standards of reserve balances.

- Three months of payroll: Average monthly payroll is \$5.5 million which equates to \$16.6 million reserve. or
- Two months of operating expenses: Average operating expenses is \$7.2 million per month which equates to \$14.5 million.

5. Enrollment and Staffing (Perez and Roddick)

- Enrollment Projections as of January 23, 2018.
- New Enrollment Projection will be prepared as soon as Sylvan Steam Academy Enrollment is finalized.
- It is expected that enrollment will become more even between the middle schools once intra/inter district transfers are processed. The process should be completed by the end of May.

	TK		K		1		2		3		K-3 Avg	4		5		Total Enrollment	Total Staff	Avg Per School		
	Enroll	Staff	Enroll	Staff	Enroll	Staff	Enroll	Staff	Enroll	Staff		Enroll	Staff	Enroll	Staff					
Brown		2	39.00	3.00	69.00	3.00	63.00	3.00	58.00	3.00	16.36	67.00	2.00	62.00	2.00	358	18	19.9		Watch 3rd
24,000		0	13.00		23.00		21.00		19.33			33.50		31.00						
Sherwood		2	57.00	3.00	63.00	3.00	68.00	3.00	65.00	3.00	18.07	69.00	2.00	63.00	2.00	385	18	21.4		Watch 4th
-		-	19.00		21.00		22.67		21.67			34.50		31.50						
24,000		-																		
Standiford	0		39.00	2.00	48.00	2.00	66.00	3.00	87.00	4.00	21.82	85.00	3.00	83.00	3.00	408	17	24.0	(1.00)	1st
-									25.00	ATG		25.00	ATG	29.00	ATG					
24,000			19.50		24.00		22.00		62.00	3.00		60.00	2.00	54.00	2.00					
Coffee																			(1.00)	1st
-			52.00	3.00	59.00	3.00	84.00	4.00	59.00	3.00	19.54	58.00	2.00	88.00	3.00	400	18	22.2	1.00	2nd
24,000			17.33		19.67		21.00		19.67			29.00		29.33					(1.00)	4th
Sylvan																			1.00	K
-			26.00	3.00	41.00	3.00	62.00	3.00	59.00	3.00	15.67	53.00	2.00	59.00	2.00	300	16	18.8	1.00	3rd
24,000			8.67		13.67		20.67		19.67			26.50		29.50					1.00	Watch 1st
Woodrow																				
-			27.00	3.00	66.00	3.00	69.00	3.00	68.00	3.00	19.17	76.00	3.00	53.00	2.00	359	17	21.1	1.00	4th
24,000			9.00		22.00		23.00		22.67			25.33		26.50						
Orchard		2	49.00	4.00	95.00	4.00	85.00	4.00	95.00	4.00	18.00	77.00	3.00	92.00	3.00	493	24	20.5		
24,000		-	12.25		23.75		21.25		23.75			25.67		30.67						
Freedom	0		96.00	4.00	82.00	4.00	96.00	4.00	110.00	5.00	22.59	122.00	4.00	123.00	4.00	629	25	25.2	(1.00)	2nd
24,000			24.00		20.50		24.00		22.00			30.50		30.75						
Sanders	0		73.00	4.00	84.00	4.00	92.00	4.00	94.00	4.00	21.44	75.00	3.00	84.00	3.00	502	22	22.8		
24,000			18.25		21.00		23.00		23.50			25.00		28.00						
Crossroads		1	97.00	5.00	123.00	5.00	137.00	6.00	145.00	6.00	21.83	146.00	5.00	130.00	4.00	778	32	24.3	(1.00)	K
-		-	19.40		24.60		22.83		24.17			29.20		32.50					(1.00)	1st
24,000																			(1.00)	4th
Total	0	7	555.00	34.00	730.00	34.00	822.00	37.00	840.00	38.00	19.45	828.00	29.00	837.00	28.00	4,612	207			
-		-	16.32		21.47		22.22		22.11			28.55		29.89					(2.00)	
																4,612	207			
	Grade	Sect	Stud	Avg.			Grade	Sect	Stud	Avg				Grade	Sect	Stud	Avg			
DS	6	9.00	234	26.00		SO	6	9.00	300	33.33			EU	6	10.00	312	31.20		(4.00)	Somerset
	7	10.00	274	27.40			7	9.00	265	29.44				7	11.00	329	29.91			
	8	10.00	289	28.90			8	11.00	322	29.27				8	12.00	359	29.92			
			29.00						29.00							33.00	1,000			
	7/8	20.00	563	28.15			7/8	20	587	29.35				7/8	23.00	688	29.91			

6. Fiscal Impacts to Consider (Phan)

- The district is in good financial standing and remains fiscally solvent as we enter the 2018-19 fiscal year budget planning cycle, but there are large financial impacts that must be planned in order to retain financial health.
- Increases to STRS contribution requirement: Estimated at \$2.2 million over a four year period.
- Increases to PERS contribution requirement: Estimated at \$1 million over a four year period.
- Increase of minimum wage to \$15.00 to be increased \$1.00/hour each year beginning January 2017 through January 2022. The financial impact is being analyzed, and is under review by staff.
- Increases to health benefits.
- Increasing contribution to Special Education: \$12.6 million as of Second Interim Budget Report
- Textbook adoption schedule: Estimated at \$4.8 million over the next three years.
- Facilities in need of repair beyond the 3% required contribution.
- LCFF target GAP is estimated at 100% implementation, resulting in COLA only year over year increases to revenue.

- j. Economic concerns at both a national and state level are evident. Although we cannot predict the next recession, it will occur again, and we need to be fiscally ready.
- k. Reserve balances: District must retain a sufficient reserve to maintain fiscal solvency.
- l. Federal fiscal policy is uncertain.

7. Next Steps to Adopt Budget by June 30, 2018 (Phan)

- April 13: Friday Update: Staff response to questions by Board
- April 17 Regular Board Meeting: Budget Assumptions Draft Approved
- April 17 Regular Board Meeting: Final Board Direction on the 2018-19 Fiscal Year Budget provided to Staff
- May 22 Regular Board Meeting: Update on Governor's May Revise, Budget and LCAP Progress
- June 12 Regular Board Meeting:
 - Public Hearing for the 2018-19 Local Control and Accountability Plan
 - Public Hearing for the 2018-19 Fiscal Year Budget
- June 26 Regular Board Meeting:
 - Adopt the 2018-19 Local Control and Accountability Plan
 - Adopt the 2018-19 Fiscal Year Budget

Facilities Study

1. Capital Outlay Plan 2018-19 Draft (Gales)

1	Capital Outlay Plan for 2018-19 Fiscal Year DRAFT								
2	Location	Room #/Area	Description of Concern	System	Est. Cost	RRM	Child Care	Defrd Maint	Bond
3						1,188,739	20,000	1,135,000	5,000,000
4	FR	All asphalt	Seal coat and restripe	Asphalt	58,000	58,000			
5	MAS	Site wide	Seal coat and restripe	Asphalt	28,000			28,000	
6	SC	Playground	Replace asphalt	Asphalt	215,000			215,000	
7	SC	Parking lot	Re-stripe parking lot and bus lane	Asphalt	1,600	1,600			
8	SC	27	Remove asphalt by Rm 27 and replace with concrete	Asphalt	4,500	4,500			
9	SH	Playground	Seal coat and stripe the playground	Asphalt	13,500	13,500			
10	SO	Parking lot	Replace the asphalt on 4 areas of parking and black	Asphalt	300,000			300,000	
11	SY	Kinder PG	Remove and replace asphalt, table area	Asphalt	75,000	75,000			
12	WO	Playground	Resurface or replace the asphalt	Asphalt	235,000			235,000	
13	SO	Office	Replace counter top used for student sevice	Cabinetry	9,500	9,500			
14	SY	Old bike rack	Add concrete to raise the area up	Concrete	40,000	40,000			
15	CFB	Office	Improve functionality- New work spaces	Cubicles	35,000	35,000			
16	SO	Office	Modify front office space for improved function	Cubicles	80,000	80,000			
17	CFB	Site wide	Replace electrical panels	Electrical	10,000	10,000			
18	ST	Site wide	Replace electrical panels	Electrical	10,000	10,000			
19	CFB	10's	Add polished concrete to Kinder/Remove carpet	Flooring	65,000	65,000			
20	MAS	MPR	Polish the MPR floor	Flooring	4,800	4,800			
21	SC	20's	Replace the vinyl in the boys and girls restrooms	Flooring	8,500	8,500			
22	SH	Portables	Replace carpeting	Flooring	36,000	36,000			
23	SO	Site wide	Replace carpet	Flooring	250,000	250,000			
24	ST	Portables	Replace all carpet	Flooring	24,960			24,960	
25	CC	Playground	Landscape the playground area	Landscape	20,000		20,000		
26	SC	Int Lawn Area	Trees	Landscape	5,000	5,000			
27	SY	Kitchen	Kitchen floor, walls and cabnetry	Misc	45,500	45,500			
28	EU	EU	Paint exterior	Paint	185,000			185,000	
29	OR	Playground	Repairs to the pour and play fall protection	Playground	19,500	19,500			
30	OR	Playground	Replace steel bars with new play structure	Playground	86,000	86,000			
31	SY	Playground	Peaceful playground	Playground	85,000				85,000
32	WO	Playground	Replace/repair primary play structure.	Playground	70,191	70,191			
33	EU	MPR	Leaking Roof (investigating with Kings & Tremco)	Roof	150,000	150,000			
34	SY	Roof	Replace Roof	Roof	1,100,000				1,100,000
35	WO	Site wide	Door scopes	Safety	2,000	2,000			
36	EU	Library	Add to and restructure library	Shelving	30,648	30,648			
37	CY	Maintenance	One truck	Vehicles	25,000	25,000			
38	EU	Locker room	Replace partitions	Walls	15,000	15,000			
39	ST	Portables	Replace/repair siding and dry rot on the portables	Walls	18,000	18,000			
40	SY	50's/Library	Replace with new double pane window system	Windows	250,000				250,000
41									
42					3,611,199	1,168,239	20,000	987,960	1,435,000
43									3,611,199

Staff has also identified additional projects that are **not** being recommended for funding on the following page.

Projects Identified but **not** recommended for the 18-19 fiscal year.

	A	B	C	D	E
1	Capital Outlay Plan for 2018-19 Fiscal Year DRAFT				
2	Location	Room #/Area	Description of Concern	System	Est. Cost
3			Other Projects Identified		
4	CFB	Site wide	Replace all asphalt and restripe	Asphalt	350,000
5	CR	Parking Lots	Re-stripe parking lots and fire lanes	Asphalt	55,000
6	CR	School Wide	Need to have the ducts cleaned	HVAC	21,000
7	CR	School Wide	Original paint is cracking and fading. Re-paint	Paint	185,000
8	CR	Roof	Leaking Eaves (Investigating with Tremco)	Roof	TBD
9	CR	Front of school	Double Doors/Fence for Lobby	Safety	165,000
10	CY	Warehouse	Replace delivery vehicle	Vehicles	50,000
11	DO	Parking lot	Replace asphalt	Asphalt	57,000
12	DO	Main Building	Replace Carpet	Flooring	17,959
13	DS	Site wide	Replace counter tops	Cabinetry	85,000
14	DS	Track	Drainage and replacing track with crushed brick	Grounds	350,000
15	DS	Site wide	Texture and paint all restroom walls.	Paint	6,500
16	DS	Roof	Leaking Roof everywhere (Investigating)	Roof	TBD
17	EU	Site wide	All cabinetry needs to be replaced	Reconstruction	250,000
18	EU	Site wide	Replace ceiling tiles	Reconstruction	25,000
19	EU	Site wide	Replace carpet	Reconstruction	308,717
20	EU	Locker rooms	Paint, replace, lockers, benches, fixtures & office	Reconstruction	350,000
21	EU	Site wide	Remodel restrooms throughout campus	Reconstruction	695,000
22	EU	Site wide	Re-roof entire site	Reconstruction	400,000
23	EU	MPR	Resurface the wall in the MPR	Walls	22,000
24	EU	Quad	Install a shade structure	Shade	100,000
25	EU/DS	Site wide	Video cameras	Safety	75,000
26	FR	Site Wide	Paint the exterior of the school	Paint	175,000
27	FR	Site wide	Replace all signage	Signage	20,000
28	FS	Building	Correct Drainage in front of building	Plumbing	40,000
29	MAS	Site wide	Paint the exterior of the school	Paint	135,000
30	MAS	Playground	Install a shade structure over the play structure	Shade	85,000
31	OR	Site wide	Fire Alarm Replacement	Fire Alarm	280,000
32	OR	Site Wide	Replace asphalt on blacktop playground	Asphalt	350,000
33	OR	Site wide	All student restrooms need to be re-finished; old	Reconstruction	435,000
34	OR	Site wide	Install ceiling mounted projectors if possible	Projectors	TBD
35	SC	MPR	Replace HVAC units	HVAC	34,000
36	SC	MPR	Replace MPR Roof	Roofing	165,000
37	SH	Site Wide	Replace asphalt on blacktop playground	Asphalt	350,000
38	SH	MPR	Replace MPR Roof	Roofing	165,000
39	SO	Site wide	Replace all cabinetry and counters	Cabinetry	75,000
40	SO	Play Area	Replace rubber matting	Playground	16,000
41	SO	MPR Exterior	Correct facade	Stucco	100,000
42	ST	Playground	Replace asphalt	Asphalt	235,000
43			Total Projects not Recommended for Funding in FY 18-19		\$5,878,176

2. Asphalt Replacement vs. Seal Coat (Gales)

During the board meeting on Tuesday March 6th, the Capital Outlay Plan Draft for 2017-18 was presented to the board. There were several comments about performing a full replacement of asphalt areas vs applying a crack fill and seal coat. In order to facilitate a second discussion on this issue, additional information is provided which include expenditures that were incurred from our last few asphalt projects with comparative numbers.

Last summer break (August 2017), the two sites that were deemed to be in the highest need of having a seal coat and striping completed were Dan Savage and Ustach Middle Schools. Both sites asphalt was inspected for the severity of cracking and overall deterioration and after the inspections it was determined that both sites only required the seal coat and striping done. The determination was also made to have the procedure performed on 100% of the sites asphalt and not just do patch work to them.

For comparative purposes, here are the numbers associated with the seal coat and striping projects at Dan Savage and Ustach in August of 2017.

<u>Ustach</u>	<u>Dan Savage</u>
Total Square Footage: 120,235	202,499
Price per SQ FT: \$.14	\$.14
Total expense: \$16,832.90	\$28,349.86

During the summer break of 2016, we also did a total replacement of asphalt in the parking lots of Sherwood and Stockard Coffee Elementary Schools. These were completed by Ragsdale and Sons who were the low bidder.

<u>Sherwood</u>	<u>Stockard Coffee</u>
Total Square Footage: 19,000	23,155
Price per SQ FT: \$2.65	\$3.61
Total expense: \$50,505	\$83,700

This pricing reflects the total bid provided by Ragsdale and Sons at the time of the bidding. These estimates will have gone up considerably with the current state of the construction market. The prices per square foot that are listed here are not broken down per phase of the job; i.e. demo, removal, road base, compaction, asphalt. It represents the total for all phases per sq ft.

I contacted Ragsdale and Sons and obtained current pricing to demo and remove current asphalt, add new road base, compaction and the installation of new asphalt for the areas in need at Woodrow, Somerset and Stockard Coffee. We have also measured the approximate square footage for the proposed areas and the breakdown is as follows:

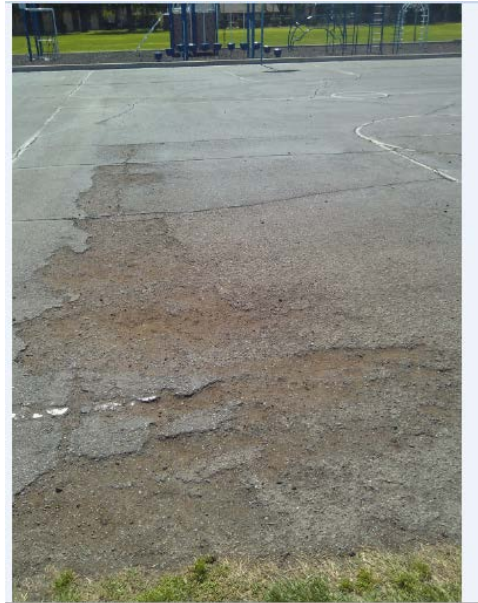
<u>Woodrow</u>	<u>Stockard Coffee</u>
Total square footage: 46,314	50,195
Price per SQ FT: \$4.20	\$4.20
Total expense: \$194,518.80	\$210,819

Somerset: Option 1 - All asphalt with the exception of the east side of the campus and east parking lot
 Total square footage: 103,663
 Price per SQ FT: \$4.20
 Total expense: \$435,384.60

Somerset: Option 2 - Main parking lot on the west side of the school
 Total square footage: 33,072
 Total expense: \$138,902.40

Woodrow Playground Picture Review

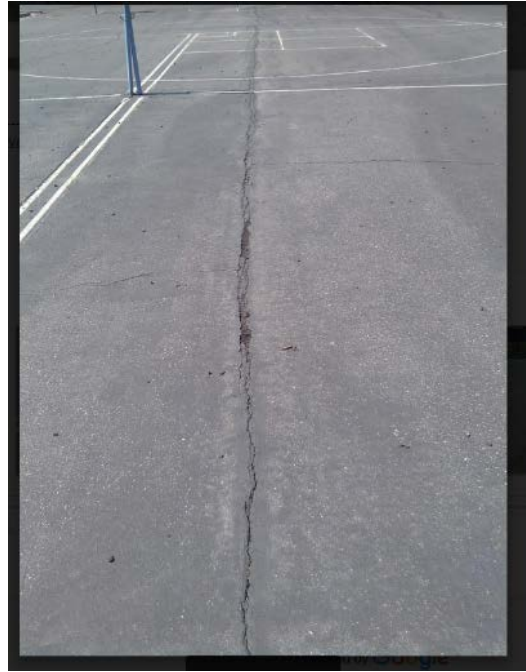
In this picture there is complete deterioration. This deterioration spreads and leaches into the rest of the blacktop. Starting in the worst area, the surface gets weaker and weaker and will continue to break. It is impossible to seal coat a playground that has this amount of deterioration.



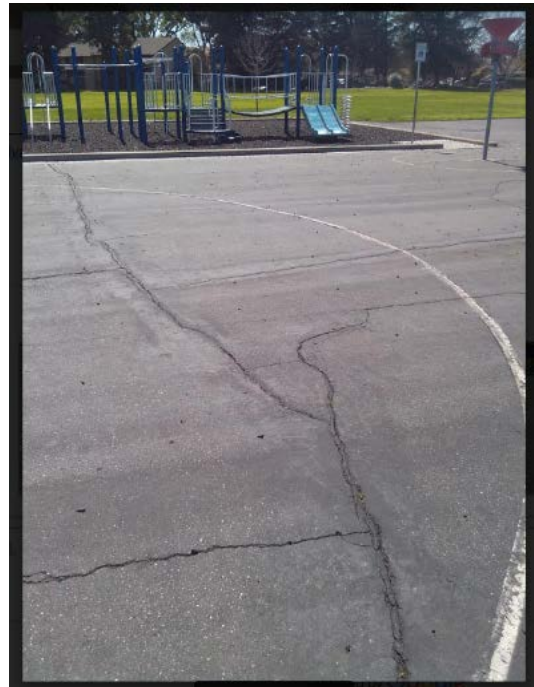
The second picture shows severe cracking that will continue to spread. When it reaches this point the point shown in the picture, the seal coat will not prevent this from worsening.



In this 3rd picture there are actually little pieces breaking off and the broken pieces are being removed from the cracks by the students, causing trip hazards.



The 4th picture shows the progression of the cracks. It is now all across the playground with a complete split. A seal coat will not resolve these issues. It will simply make it look prettier for a short time.



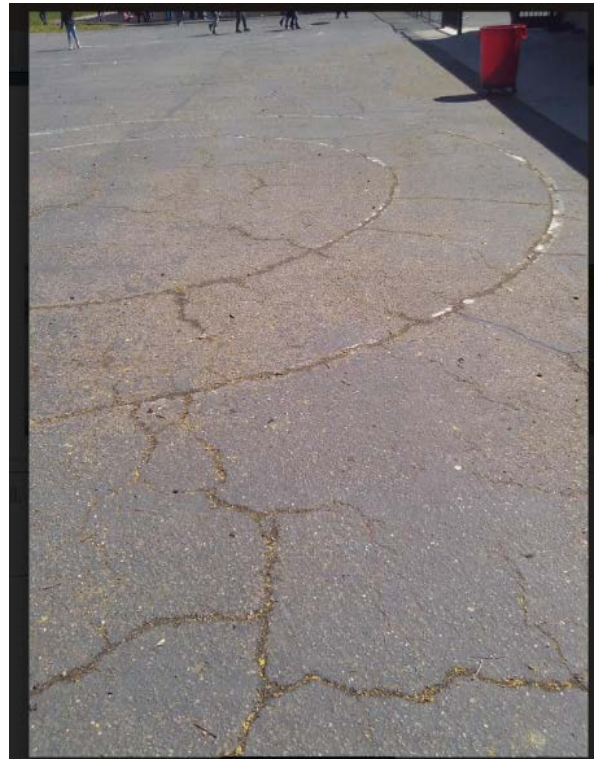
The Woodrow playground received a sealcoat in 2014 when the school was modernized. Since then it has continued to deteriorate.

It is recommended that the entire playground be replaced at Woodrow

Stockard Coffee Picture Overview

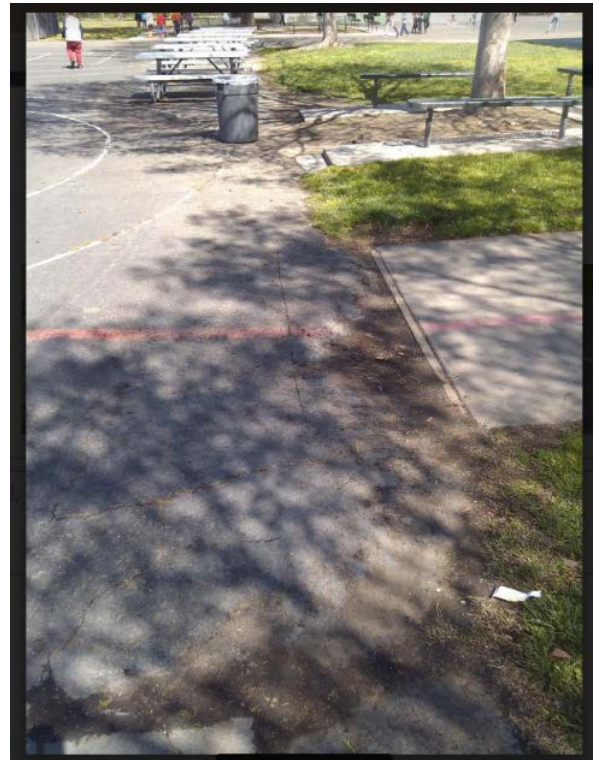
This picture is taken on the north side of the playground at Stockard Coffee. It shows the deterioration of the asphalt that can be seen and the amount of gravel that is being produced out of the cracks. As the cracks continue to grow and breakdown, the little pieces turn to gravel and vacate the cracks thus leading to tripping and other sorts of hazards that can lead to injury. The cracking is continuing to grow and spread and will not be contained by a crack fill and seal coat application.

The recommendation for the north side of the playground area is to replace the asphalt.



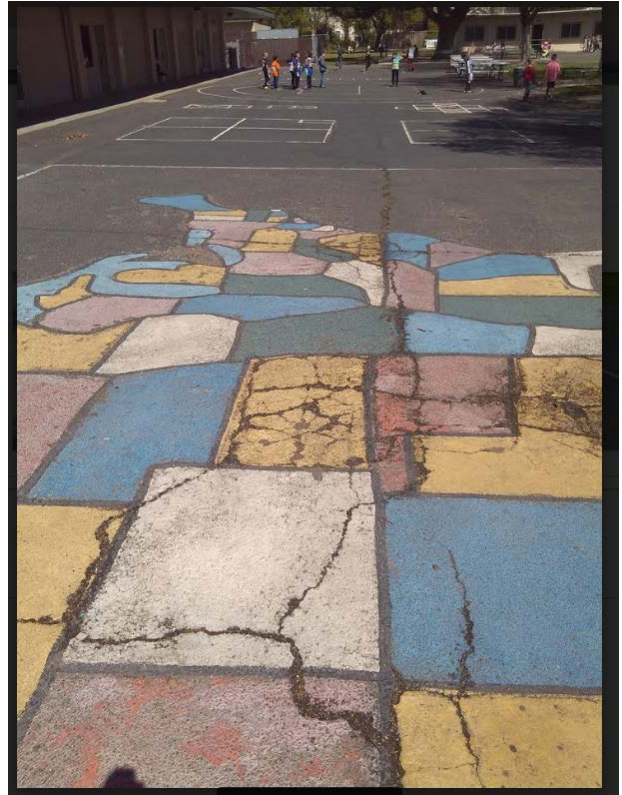
This picture shows the asphalt leading to the walkway that goes to the 20's building. The area where the asphalt meets the concrete has virtually no asphalt left and that is spreading out further to the left. This sort of situation is also occurring down the entire edge of the landscaping and cannot be repaired by a seal coat. This pictured area used to be asphalt and is now in the form of pebbles and gravel which become a slipping concern.

The recommendation for the asphalt to the north side of the 20's building is to replace it.



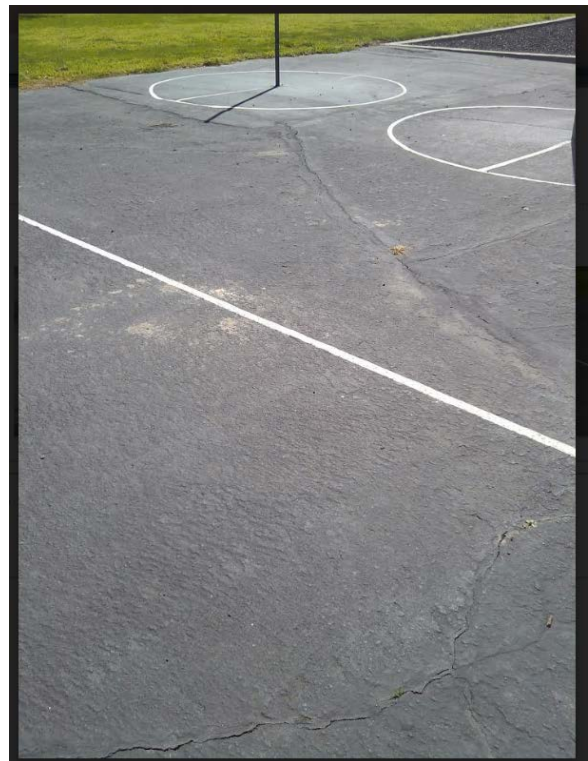
This picture is a good indication of the growing amount of cracks that are occurring in the failing asphalt system. It is easy to see that as the cracks are growing and spreading that they spread together which will cause complete failure and lead to potholes. A crack fill and seal coat application would be a quick fix and the situation will reoccur in a year or less. We are seeking a long term repair.

The recommendation for the asphalt to the north side of the 20's building is to replace it.



This picture shows the rippling and “alligator backing” affect that is taking place in the asphalt on the south side of the 20's building. This asphalt area has this going on all throughout and it is a short matter of time before it breaks into smaller pieces and creates pothole situations. This area also has been breaking down to the point that there is remanence of the asphalt in the form of pebbles and gravel and children have been slipping on them and tripping in the cracks.

The recommendation for the asphalt to the south side of the 20's building and towards the backside of the MPR is for it to be replaced.



This is another area adjacent to the picture described in #4. As you can see, the top layer is breaking down and creating the same hazards as described above

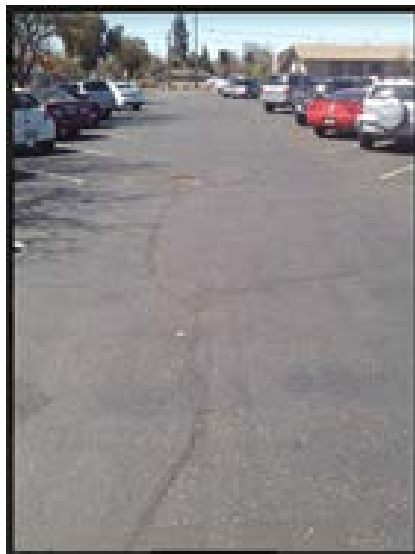
The recommendation for the asphalt to the south side of the 20's building and towards the backside of the MPR is for it to be replaced.



Somerset Asphalt Picture Review

The first picture is the entrance to the west parking lot. It shows complete failure of the asphalt and several potholes throughout the entrance. The only option for repair is replacement.

The middle picture shows that breaking and crumbling of the asphalt is continuing all the way through the lot and is causing potholes. Just to the right of the spot where this photo was taken is the fire lane that heads to the north of the school and it is in worse shape. The fire lane has complete failure and is basically a gravel path now. Again, this needs to be replaced.



The recommendation for the parking lot on the west side of the campus is to replace it. It is beyond repair.

The first picture shows the east side of the quad where the asphalt used to meet the concrete. The edge had completely deteriorated and we are having serious issues with children tripping and falling.

The 2nd picture is another view of the same area.

The third picture is the east side of the blacktop between the gym and the MPR. This asphalt area could be a candidate for a crack fill and seal coat. Some of the cracks are expanding and becoming holes as the picture indicates, but that may be able to be repaired.

See description above.



The recommendation for the blacktop to the east side of the quad area is to have it seal coated and restriped. This will require cutting out some areas (as the first picture indicates) and replacing that asphalt to clean up the edge.

The first picture is the west side of the blacktop area. The asphalt is in the beginning stages of deterioration and is producing a lot of pebbles that are causing slipping issues. I think that the west side asphalt on the campus could be a candidate for a seal crack fill and seal coat too but I would like to get the input of an asphalt contractor and determine the best route to proceed. We are at that middle ground where we could go one way or the other.

This is the west side of the quad where the asphalt used to meet the concrete. The edge has completely deteriorated and we are having serious issues with children tripping and falling.



The recommendation for the blacktop to the west side of the quad area is to have it seal coated and restriped. This will require cutting out of some areas (such as picture #2 indicates) and replacing that section of asphalt to clean up the edge.

3. Orchard HVAC & ADA Project Change Order #2: Center Quad ADA Upgrade (Perez)

Staff is seeking board direction on options regarding DSA's requirement to bring the center quad area at Orchard compliant with ADA regulations. There are two options:

Option 1: Complete removal of existing concrete, improve compaction and complete replacement of concrete

Option 2: Complete removal of existing concrete, improve compaction of the subgrade and replace about half the concrete, and replace the other half with turf.

Recommendation: Option 1

4. Board Subcommittee for Facilities Update (Perez)

The board facilities subcommittee met at Ustach Middle School on March 12. The committee performed a walkthrough of the school. After the walkthrough review of the facilities on the campus, the committee debriefed for a short time. No decisions were made. The committee will meet several more times to continue discussions about Ustach, the Facilities Master Plan, and developing a funding plan to support the Facilities Master Plan.