

**SYLVAN UNION SCHOOL DISTRICT
SPECIAL BOARD MEETING BUDGET STUDY SESSION
OF THE BOARD OF TRUSTEES
April 10, 2018**

MINUTES

Members Present: Mmes. Christine Harvey, Cynthia Lindsey, and Jennifer Miyakawa.
Messrs. David Collins and George Rawe.

Members Absent: None

District Administration Present: Debra Hendricks, Velma Beck, Yvonne Perez, Laura Wharff,
Sharon Roddick, Didi Peterson, John Patten, Marti Reed, Cheryl
Phan, and Dawn Mori.

Audience Present: Jason Gales, Carrie Albert, Audry Garza, Nikki Codromac, Michle
Calton, Angela Quinteros, Alisa Eldridge, Mitch Wood, Joanna
O'Brien, Jennie Smith, Timothy Smith, Katie Bennett, Tedde'
Vaupel, Donna Tigrett, Rebecca Harms, Nancee Davis, Gary Miller,
Michael Stagnaro, Kala Buck, Scott Ferreira, Amber Wethern, Laurie
Hulin, and Kari Hendon.

Call to Order: The meeting was called to order at 4:50 p.m.

Adjourn to Closed Session: The meeting adjourned to Closed Session for the following:

- a. **CONFERENCE WITH LABOR NEGOTIATOR**
Title: Employee Organizations: All Groups (SEA, CSEA,
and Unrepresented)
- b. **PUBLIC EMPLOYEE EMPLOYMENT:**
SUPERINTENDENT'S EVALUATION

Reconvene to Open Session: The meeting reconvened to Open Session at 5:46 p.m.

Board President Announcement: Mrs. Lindsey advised all attendees that in accordance with Board
Policy, tonight's Board Meeting was being recorded. She also
advised any persons wishing to address the Board on any agenda or
non-agendized item must fill out a speaker card.

Pledge of Allegiance: Mrs. Lindsey welcomed everyone to the meeting and led the audience
in the Pledge of Allegiance.

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Adoption of Agenda:

The motion was made by Mr. Collins, seconded by Mrs. Miyakawa, adopting the Agenda.

AYES: Collins, Harvey, Lindsey, Miyakawa, Rawe

NOES: None

ABSENT: None

ABSTENTIONS: None

Action Items:

ACTION ITEMS

Approval of Sylvan Educators Association (SEA) Tentative Agreement:

- a. The motion was made by Mr. Collins, seconded by Ms. Harvey, approving the tentative agreement and Memorandum of Understanding between Sylvan Educators Association (SEA) and the Sylvan Union School District for the 2017-18 school year.

AYES: Collins, Harvey, Lindsey, Miyakawa, Rawe

NOES: None

ABSENT: None

ABSTENTIONS: None

Study Session:

STUDY SESSION: BUDGET STUDY SESSION

Mrs. Hendricks presented the Board of Trustees with an overview of the agenda for the Budget Study Session. She also reviewed the 2017-2018 3 Year District Wide Program Plan, and the Board and Superintendent Goals, established at the start of the 2017-2018 school year. The 3 Year Plan has provided an excellent roadmap for program incentives and accountability within the district. Mrs. Hendricks shared that programs will not be the focus for the meeting, however program goals should always be at the forefront of all financial decisions. Mrs. Hendricks shared that the Board has seen most of the information being presented tonight and welcomed Ms. Harvey to her first Budget Study Session Meeting. Mrs. Hendricks shared that staff will be providing a update of the financial status, the second interim multi-year projection as of January 31, 2018, and then will discuss the Facilities study. Staff and the Board has allocated two and a half hours for the Budget Study Session.

Mrs. Phan reviewed the proposed Budget Requests for the 2018-19 fiscal year. Staff is recommending the Board reduce the additional \$300,000 currently being allocated to facilities projects to \$100,000

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BUDGET STUDY Continued

beginning in fiscal year 2018-19, and re-direct \$200,000 for a new phone system and technology. The recommendation is to pay for the new phone 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.

The Board asked about the ending fund balance. Mrs. Perez shared that Mr. Patten and staff feels they need to get a RFP for the phone system to get the best results for this project. Funding hasn't been determined. The district can also choose to do a lease financing, which could be spread over several years, or use one-time funds when received, or allocate \$100,000 each year and move forward with the new phone system project. The Board shared concerns with spreading the cost of the phone system for such a long period of time. They also addressed concerns regarding having funds available for the Ustach Middle School project and feels the phone system cost is quite substantial and would like to start saving money for the Ustach modernization project.

Staff presented, per Board request, budgeting \$15,000 for the cost of fingerprinted for all volunteers. Mrs. Roddick asked the Board if they had any questions. No questions were asked at this time.

Staff reviewed the information regarding the request to add a Custodian Rover for \$32,291. The estimated cost for an additional Custodian Rover is \$67,430, but will be offset by the savings in substitute custodian costs currently estimated at \$35,140. An additional rover would fill in absences for which a substitute employee would cover. The Board shared their concerns with the amount of absenteeism between staff throughout the district.

Staff also recommended budgeting \$100,000 for Safety Plan Supplies. Our Incident Command Committee will share a survey asking school site principals for their input on additional safety supplies needed or replaced at their site. Staff is suggesting that there will be a larger one-time initial cost for 2018-19, and then an on-going cost as items need to be replaced.

Mr. Patten shared the technology budget request for \$100,000. Mr.

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BUDGET STUDY Continued

Patten addressed the need for student devices. It is recommended that the district continue to provide 1:1 Ipads for all middle school students and replacement of Chromebooks for elementary school. Ipads are \$300 and a case is \$34. Chromebooks are \$260, without a case. The annual technology budget is currently \$300,000 for computers, licenses, and software for staff and student technology devices. Staff will be sharing a detailed technology plan at the April 17, 2018, Board meeting. Staff budgets \$100,000 a year for technology replacements. Mr. Patten shared that by year three, the district should be 1:1 for each student, which will be a mix of devices from Ipads to Chromebooks.

Staff reviewed that there will not be a financial impact for textbook adoption at this point. The Board asked staff to get an electronics only proposal as well as a textbook with electronic component proposal when the next textbook adoption is due. Mrs. Wharff shared that she will request a proposal if the author supplies these options as requested. Mrs. Wharff shared that social studies will be working with the county Office of Education in May. As for the Science adoption, staff believes it will not be until 2019-20 until the adoption will take place and will be reflected over the next two fiscal years.

Budget Assumptions for the 2018-2019 Fiscal Year:

Mrs. Phan shared and pointed out that the 2017-18 P2 ADA was reported at 7717. We are currently at 96% attendance throughout the district. Staff shared that we have a counselor who focuses on pre-SARB with students and families to provide additional support to improve student absences. Mrs. Phan also shared the projected PERS and STRS rate increases and will provide a more details at the April 17, 2017 meeting. The Board requested that staff balance the budget and remove any carry overs. Mrs. Perez shared that according to budget guidelines, expenditures shall not exceed income plus any carry over from prior years. Mrs. Phan informed the Board that we are heading into 100% LCFF funding and we need to start paying attention to this difference and plan for it.

Mrs. Reed shared that she will provide the Board with the LCAP survey results before the next Board meeting. Our LCAP aligns and supports the items presented by staff at the budget study session.

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BUDGET STUDY Continued

Mrs. Perez and Mrs. Roddick shared information regarding enrollment and staffing requests for the 2018-19 school year. Based on the projections, our enrollment shouldn't have a substantial change.

Mrs. Phan shared the fiscal impacts by stating the district is in good financial standing and remains fiscally solvent as we enter the 2018-19 fiscal year budget planning cycle, however there are large financial impacts that must be planned in order to retain financial health. The Board needs to consider the increases to the STRS contribution requirement that is estimated at \$2.2 million over a four year period. In addition to the STRS increase, there will be increases to PERS contribution requirement, estimated at \$1 million over a four year period. Mrs. Phan also indicated a minimum wage increase to \$15.00 to be increased \$1.00 an hour each year beginning January 2017 through January 2022, increases to health benefits, Special Education increase, textbook adoption schedule, facilities in need of repair beyond the 3% required contribution, LCFF target GAP, reserve balances, and the federal fiscal policy is uncertain. Economic concerns, both at the national and state level are evident.

Mrs. Phan reviewed the next steps to adopt the Budget by June 30, 2018. Budget Assumptions Draft will be presented for approval at the April 17, 2018, Regular Board Meeting. At this April 17th meeting, staff will be requesting final direction from the Board at the 2018-19 Fiscal Year Budget. The Board will receive an update at the May 22, 2018, Board meeting on Governor's May Revise, Budget and LCAP Progress. A Public Hearing for the 2018-19 Local Control and Accountability Plan and the 2018-19 Fiscal Year Budget will take place at the June 12, 2018, Board Meeting, and adoption at the June 26, 2018, Regular Board Meeting.

Facilities Study Session:

STUDY SESSION: FACILITIES STUDY SESSION

Mr. Perez indicated that staff would like to move the draft Capital Outlay Plan provided and presented to action at the April 17, 2018 Regular Board Meeting. The Board shared their concerns with specific projects on the Capital Outlay Plan in regards to the peaceful playground, counters at student services, and the replacement of asphalt.

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Facilities Study Session Continued

Mrs. Perez provided information regarding the Orchard HVAC & ADA Project Change Order No. #2: Center Quad ADA Upgrade and asked for direction from the Board to be able to move forward with the project. Staff is recommending option 1 which requires complete removal of the existing concrete, improve compaction and complete replacement of concrete. Staff did not recommend option 2 which is complete removal of existing concrete, improve compaction of the subgrade and replace about half the concrete while replacing the other half with turf. Staff also shared that DSA requirements requires the state to come and approve the project. The architect will adjust the slope to correct the current pooling of water. The project is projected to be started during the summer break and will be completed by July 2, 2018. The Board discussed the pros and cons of each option and decided to support the recommendation by staff and move forward with option 1.

Mrs. Perez also provided the Board of Trustees an update on the Board Subcommittee for Facilities Update and shared that more meetings are being scheduled for this subcommittee.

Future Agenda Items:

FUTURE AGENDA ITEMS:

- Special Board Meeting – Budget Study Session: April 17, 2018 at TBD.
- Next Regular Board Meeting: April 17, 2018 at 7:00 P.M.

Final Adjournment:

The meeting was adjourned by Board President Mrs. Lindsey at 7:42 p.m.

WITNESS:

Mr. Collins, Vice President of the Board

Date