

**SANTA CRUZ CITY SCHOOLS
BUDGET ADVISORY COMMITTEE MEETING**

**District Office, Room 312
Tuesday, March 13, 2018**

Minutes

Attendance at Meeting

BAC Members:

Greg Torr, Finance
Jeremy Shonick, Board Trustee
Michelle Poirier, High Schools
Patrick Gaffney, Asst. Supt., Business Services
Robert Chacanaca, SCCCE

Absent:

Casey Carlson, GSCFT
Deedee Perez-Granados, Board Trustee
Desiree Dominguez, AMA
Elementary Schools Representative
Frank Wells, Educational Services
Jean Gardner, Santa Cruz Co. Office of Education
Kat McElwee, Middle Schools
Molly Parks, Human Resources
Rocco Cappalla, Santa Cruz Ed Foundation

Visitors:

Tim Madsen, District Parent
Kris Munro, Superintendent

I. Call to Order

Asst. Supt. Pat Gaffney called the meeting to order in Room 312 at the District office at 6:05 pm.

II. 2017-18 2nd Interim Report

Asst. Supt. Gaffney prefaced his presentation by mentioning the Fiscal Services Report article he brought to the 2/20/18 BAC meeting, which reported State revenues up by 22.4% over estimates in January, 2018. As a result, changes were predicted to the Local Control Funding Formula (LCFF), with 1-time funds to come to the District. It's hoped that the May Revise may provide more funding to SCCS. However, a more recent Fiscal Services Report states that the State Controller has reported revenues down by 6.3%, which is still higher than expected. The Governor's strategy included providing 1-time monies and creating a rainy day fund.

Mr. Gaffney presented slides from the 3/7/18 Board Meeting presentation on the District's 2nd Interim Report for 2017-18.

Revenues

Due to LCFF sources increasing in 2017-18, the Governor's 2018-19 budget, the gap percentage built into LCFF has been eliminated. Instead of transferring funds into the Deferred Maintenance Fund, these funds will be used for the Curriculum Master Plan.

Trustee Shonick noted that \$750,000 is to be spent on textbooks. Unrestricted funds are used to implement Common Core. Restricted Lottery money can only be spent on instructional materials. He asked if these funds could be spent on software. Asst. Supt. Gaffney replied yes, and that the District Technology Committee would be convening soon. Software is just as expensive as textbooks.

Expenditures

The expenditures for Books and Supplies contain other items as well. Under Contracted Services, \$144,000 is attributed to Special Education. It was asked if this was for on-site or off-site services, like non-public school placements. Mr. Gaffney commented that SCCS is reimbursed for services the District provides to students who used to be served by the County Office of Education. \$35,000 for security services at Natural Bridges will soon be unnecessary. When Gateway occupies the building, vandalism should be deterred.

Changes in Fund Balance and MYP

Mr. Gaffney discussed the slide detailing changes in fund balance from 1st Interim to 2nd Interim and the MYP. It was commented that the marijuana tax should generate some revenue for schools. Basic Aid status benefits the Elementary District. The District can assume that property increases will increase. However, the new tax plan's impact is yet to be known. Home values may go down. Assuming a 2% increase each year may not work in the long run. There are many factors which complicate predictions. On the November ballot, voters will see a proposition to close the Prop. 13 loophole for corporations.

III. Adjournment

The meeting was adjourned at 6:35 pm.

Respectfully Submitted,

Catherine Meyer-Johnson
Administrative Assistant
Business Services

Patrick K. Gaffney
Asst. Superintendent
Business Services